

Appendix IV

A photograph of the San Diego skyline and harbor. The water is a deep blue-green, and the sky is a clear, light blue. Several sailboats are visible in the harbor. The city skyline is visible in the background, with various buildings and structures. The text "San Diego Housing Commission" is overlaid on the bottom right of the image.

San Diego
Housing
Commission

San Diego Housing Commission

San Diego Housing Commission				
	FY 2002 ACTUAL	FY2003 BUDGET	FY 2004 PROPOSED	FY 2003- 2004 CHANGE
Positions	253.50	245.50	245.50	0
Personnel Expense	\$ 14,180,577	\$ 15,052,224	\$ 15,963,223	\$ 910,999
Non-Personnel Expense	\$111,876,377	\$134,460,999	\$146,616,184	\$12,155,185
TOTAL	\$126,056,954	\$149,513,223	\$162,579,407	\$13,066,184

San Diego Housing Commission

Significant Budget Adjustments

San Diego Housing Commission	Positions	Cost
A complete explanation of revenue adjustments is provided in Section III, Addendum 2, pages 3-59 to 3-66	0	
A complete explanation of expense adjustments is provided in Section III, Addendum 3, pages 3-67 to 3-74	0	
A complete explanation of salaries and benefits adjustments is available in Section III, Addendum 7, page 3-84	0	



Good Neighbors

San Diego
Housing Commission

Mission: We are committed to providing quality housing opportunities to improve the lives of those in need.

Vision: An affordable home for every San Diegan

Goals: **Provide Housing and Career Growth Opportunities:**

Focus our highest priority on assisting San Diegans of very low income with safe and quality housing.

Advocate for and aggressively pursue increased funding for affordable housing programs.

Further resident initiatives including opportunities for self-sufficiency and self-improvement.

Advocate, Educate and Build Alliances:

Inform, educate and guide the public about housing needs, fair housing and affordable housing opportunities.

Forge partnerships with others in the community to expand housing opportunities and integrated services.

Build communication and alliances among neighborhoods, clients and others to further our mission throughout the City.

Foster Respect and Service:

Create a supportive and innovative work environment which promotes staff's mandate to provide highest quality service, both internally and externally.

Conduct business in a manner which effectively uses resources and which respects diversity and promotes dignity, self-reliance and equal opportunity.

FY04 BUDGET
San Diego Housing Commission

San Diego Housing Commission

Strategic Plan Goals

Fiscal Years 2004 – 2006

GOAL 1: Significantly Increase the Number of Affordable Housing Units

GOAL 2: Successfully Administer Affordable Housing & Resident Initiative Programs

GOAL 3: Develop and Optimize Housing Commission Financial Resources

GOAL 4: Strengthen Organizational Effectiveness

GOAL 5: Provide Policy and Public Education Leadership Regarding Affordable Housing

FY04 BUDGET
San Diego Housing Commission

San Diego Housing Commission

Business Plan Strategies

Fiscal Years 2004-2006

- STRATEGY 1:** Appraise all Housing Commission-owned properties to assess value and potential available equity.
- STRATEGY 2:** Develop and own multifamily rental housing through new construction and acquisition/rehabilitation.
- STRATEGY 3:** Implement a land banking program.
- STRATEGY 4:** Provide related services to other entities associated with the Housing Commission (e.g., contract monitoring on subsidized developments on behalf of HUD, syndication of tax credits on Housing Commission-financed projects).
- STRATEGY 5:** Create and implement a mixed income re-use plan for the University Canyon development.
- STRATEGY 6:** Market and implement technical rehabilitation services to public entities, as well as not-for-profit and for-profit affordable housing developers.
- STRATEGY 7:** Identify functions that may be outsourced.
- STRATEGY 8:** Create and implement a homeownership program for Section 8 clients.
- STRATEGY 9:** Optimize efficiency of Operations departments, to ensure cost effectiveness and appropriate levels of internal and external customer service.
- STRATEGY 10:** Establish an internal audit function within the Financial Services department.
- STRATEGY 11:** Develop a Succession Plan for the agency.

FY04 BUDGET
San Diego Housing Commission

San Diego Housing Commission

Business Plan Strategies

Fiscal Years 2004-2006

- STRATEGY 12:** Develop electronic database systems to ensure quick and easy access to updated documents, facts, and other information needed to provide better external and internal customer service.
- STRATEGY 13:** Consider a program to acquire and rehabilitate single-family residences for resale to low- and moderate-income first-time homebuyers.
- STRATEGY 14:** Partner with housing developers, in the form of an ownership interest, to create and preserve affordable rental housing.
- STRATEGY 15:** Develop potential community support for FY 2004-2006 initiatives to enable the Housing Commission to achieve its goals and objectives.

FY04 BUDGET

San Diego Housing Commission

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I. EXECUTIVE SUMMARY

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FY04 BUDGET
San Diego Housing Commission

Agency Overview

	Original FY03	Current FY03	Proposed FY04	Change
I. ACTIVITY GROUPS				
Housing Services	99,984,439	106,654,187	117,849,783	11,195,596
Housing Finance & Development	25,265,008	25,220,666	22,353,671	(2,866,995)
Operations	6,862,320	6,952,707	7,240,916	288,209
Program, Contingency & Agency Reserves	5,000,514	10,685,663	15,135,037	4,449,374
Total Activity Groups	137,112,281	149,513,223	162,579,407	13,066,184

II. REVENUES

Restricted Revenues

Section 8	89,716,899	96,036,246	108,424,712	12,388,466
Other HUD	13,134,562	16,059,422	19,003,240	2,943,818
State	577,224	600,711	876,368	275,657
CDBG	5,386,117	3,623,328	3,432,888	(190,440)
Restricted Local	4,017,110	5,012,331	4,875,540	(136,791)
Subtotal	112,831,912	121,332,038	136,612,748	15,280,710

Unrestricted Revenues

Rental Rehabilitation	509,005	636,854	364,784	(272,070)
Local	8,138,894	12,456,250	11,615,981	(840,269)
Housing Trust Funds	4,327,721	2,856,354	1,810,936	(1,045,418)
HOME	11,304,749	12,231,727	12,174,958	(56,769)
Subtotal	24,280,369	28,181,185	25,966,659	(2,214,526)

Total Revenues

137,112,281	149,513,223	162,579,407	13,066,184
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III. EXPENDITURES

Salaries & Benefits	14,986,425	15,052,224	15,963,223	910,999
Services & Supplies	6,541,499	7,243,368	7,061,611	(181,757)
Housing Programs	110,583,843	116,531,968	124,419,536	7,887,568
Program, Contingency & Agency Reserves	5,000,514	10,685,663	15,135,037	4,449,374
Total Expenditures	137,112,281	149,513,223	162,579,407	13,066,184

Continuing Appropriations

9,567,170	21,948,168	10,016,701	(11,931,467)
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FY04 BUDGET

San Diego Housing Commission

Summary of FY04 Budget

Levels of Production

This document reflects year-to-year comparative information at the activity level. The [FY04](#) Activity Based Budget along with output measures for each activity is found in Section II, and further detail at the subactivity level is contained in Section III. The proposed FY04 Budget allocates resources so that the Housing Commission will continue to serve more than 75,000 San Diegans. In essence, the \$162.6 million proposed [FY04](#) Budget would enable the San Diego Housing Commission to:

- * Assist 12,296 households to rent private housing.
- * Subsidize approximately 87 first-time homebuyers.
- * Produce 312 additional affordable rental units.
- * Oversee physical improvements to 1,752 homes and apartments.
- * Manage 1,769 units of publicly owned housing.
- * Provide special purpose housing opportunities for 220 persons.
- * Aid 625 families toward self-sufficiency.

The budget contains summary level production goals, as above, as well as specific objectives for each subactivity. As has been the case in the past, staff will report quarterly on progress towards meeting these production goals.

In addition, the Housing Commission will continue to refine its activity based management, streamline its processes, ensure program compliance, and seek greater public understanding of housing issues. The Housing Commission is committed to maximizing the value of the resources allocated for each activity, controlling administrative costs, and providing the most affordable housing feasible.

Activities

The Activity Based Budget aggregates expenditures in three Activity Groups (and Reserves) that are displayed in greater detail in the [FY04](#) Activity Based Budget Section (Section II). The Activity Groups are:

Housing Services covers direct services including Rental Assistance, Asset Management (including Property Management, Routine Maintenance and Major Renovations) and Resident Services;

Housing Finance & Development covers all of the loan and grant programs including Rental Housing Production, Homeownership, Rehabilitation, Portfolio Servicing and Occupancy Monitoring, and Special Purpose Housing; and

Operations covers administration including Board and Executive Functions, Support Services for the Agency, and Communications & Operations Development.

The following chart shows the change from the current [FY03](#) Budget to the proposed [FY04](#) Budget in dollars and percentage for each of the three Activity Groups and Reserves.

FY04 BUDGET

San Diego Housing Commission

Summary of FY04 Budget

Activity Group	FY03 Current Budget	% of Total Budget	FY04 Proposed Budget	% of Total Budget
Housing Services	\$ 106,654,187	71%	\$ 117,849,783	72%
Housing Finance & Development	25,220,666	17%	22,353,671	14%
Operations	6,952,707	5%	7,240,916	5%
Reserves	10,685,663	7%	15,135,037	9%
Total Budget	\$ 149,513,223	100%	\$ 162,579,407	100%
Continuing Appropriations	\$ 21,948,168		\$ 10,016,701	

Continuing Appropriations represent projects, contracts or activities approved in FY03 or earlier but not completed to date. As such, these funds are not available for allocation and are not included in the \$162.6 million FY04 Budget. Estimated Continuing Appropriations of \$10.0 million are not included in the proposed FY04 Budget total but are shown on the budget summary charts to give a complete picture of resources and activity levels.

In addition, the following chart shows the proposed FY04 Budget for staff positions, salaries and benefits, services and supplies, and housing programs for each of the Activity Groups and Reserves. The chart also shows both the total proposed FY04 Budget and the estimated balance of Continuing Appropriations for each Activity Group with Agency Totals appearing on the last line.

	Number of Staff	Salaries & Benefits	Services & Supplies	Housing Programs	FY04 Proposed Budget	Continuing Appropriations
Housing Services	157.33	\$ 9,124,858	\$ 2,381,605	\$ 106,343,320	\$ 117,849,783	\$ 250,744
Hsg Fin & Devel.	34.15	2,742,856	1,534,599	18,076,216	22,353,671	9,549,055
Operations	54.02	4,095,509	3,145,407	0	7,240,916	216,902
Reserves	0.00	0	0	0	15,135,037	0
Total	245.50	\$ 15,963,223	\$ 7,061,611	\$ 124,419,536	\$162,579,407	\$ 10,016,701

With the Activity Based Budget, comparisons between years are available in Section II. Major changes from FY03 to FY04 can be noted in general terms.

In FY04, *Housing Services* reflects an overall increase of 10% primarily in Rental Assistance due to the addition of 144 units, annualizing rent payments for the additional units leased, and providing for rent increases for landlords through FY04. As a result, Rental Assistance reflects an increase of 13%. There is a 3% increase in Property Management primarily due to an increase in maintenance materials and maintenance contracts to provide for aging buildings and higher contract costs. In addition, Property Management includes a provision for a 4% increase in FY04 for water, sewer, gas and electric utilities. Also, additional extraordinary maintenance is provided for lighting, parking lot overlay and landscaping at the Maya Apartments, and for kitchens, baths and a playground at University Canyon. These increases are partially offset by a decrease of 34% in Resident Services for Resident Services recreation and contract expenses resulting from the obligation and/or expenditure of significant amounts of HUD grants in FY03. It is expected that additional new awards will increase the FY04 Resident Services activity level during FY04. Grant applications for funds will be presented at future Housing

FY04 BUDGET

San Diego Housing Commission

Summary of FY04 Budget

Commission/Housing Authority meetings for consideration as HUD and other agencies notify staff concerning the availability of resources.

Housing Finance & Development reflects an overall reduction of 11% primarily due to the completion or obligation of development projects in [FY03](#), resulting in substantially less carryover of CCDC, HOME, Housing Trust, HUD Development and Redevelopment funds from FY03 into FY04 than occurred last year. As a result, Rental Housing Production and Rehabilitation reflect reductions of -12% and -10% respectively. In addition, Homeownership decreases by 36% and reflects Housing Commission Board direction at the February 2003 meeting to reduce Homeownership in order to lessen the reduction in Rental Housing Production and Rehabilitation for FY04. Portfolio Servicing and Occupancy Monitoring increases by 12% due to anticipated increases in funding for the Reinvestment Task Force's Capital Collaborative. There is no change in Special Purpose Housing, although there is an additional Shelter Plus Care project for FY04. This increase is offset by the completion of the HOPWA and City Women's Shelter programs and the obligation of Local funds in FY03.

Operations reflects an overall increase of 4% primarily due to increases from the transfer of telephone and photocopy costs from all activities to Information Systems for centralized control; extraordinary maintenance and utilities for the Newton Office facility and an operations efficiency study planned for FY04. There is a reduction of two (2.00) staff positions in Human Resources and less financial consulting in FY04, thereby offsetting the increases. Again this year, Operations expenses can be readily distinguished from direct services and are 4% of the [FY04](#) Budget (down from 5% in the FY03 Budget and 6% in the FY02 Budget). If the supervisory functions in Housing Services and Housing Finance & Development were included in Operations, this would approximate the auditor's definition of "administration" (close to 8% of the budget).

A Multifaceted Strategy For Providing Affordable Housing

The budget implements the City-approved multifaceted strategy (included in the Housing Element of the General Plan and the Consolidated Plan) for providing affordable housing for those in need. This strategy recognizes the varied affordable housing needs of San Diegans living in the City's diverse neighborhoods. The multifaceted approach also recognizes that available resources are not sufficient to meet all of these diverse needs and will not, even if focused, fully address most segments of need.

The proposed FY04 Budget allocates both restricted and unrestricted funds to support multiple affordable housing activities including: rental assistance, development to increase the supply of affordable rental housing, renovation to extend the life of older housing stock, first-time homebuyer assistance, and transitional and supportive housing. Unrestricted Revenues (\$28.2 million and \$26.0 million in FY03 and FY04 respectively) of the Housing Commission have far fewer restrictions on usage than the Restricted Revenues and may be used for a variety of activities. There are four (4) types of Unrestricted Revenue sources as explained below:

1. Rental Rehabilitation – this source derives from loan payments and payoffs from previous lending activity and provides support for Special Purpose Housing.
2. Local Funds – these funds derive from a variety of sources including fees earned from administering programs, lease revenue or loan payments from previous development activity, and rental income from certain Housing Commission-owned sites. These funds are very flexible and are utilized for all Housing Commission activities except Rental Assistance.

FY04 BUDGET

San Diego Housing Commission

Summary of FY04 Budget

3. Housing Trust Funds – this source derives from fees charged developers of commercial and industrial property and a relatively small amount of loan repayments from CDBG Rehabilitation loans. Currently, this source provides support for activities in Housing Finance & Development.
4. HOME Funds – this federal entitlement source is received annually by the City of San Diego and is administered by the Housing Commission. Currently, this source provides support for activities in Housing Finance & Development.

In past years, the Housing Commission has supported a multifaceted approach by allocating the Unrestricted Revenue sources among several activities. In the proposed FY04 Budget, the allocation of the Unrestricted and Restricted Revenues is as follows:

Activity	Proposed FY04 Unrestricted Revenues		Proposed FY04 Restricted Revenues		Proposed FY04 Total Revenues	
Rental Housing Production	8,837,833	34.0%	523,704	0.4%	9,361,537	5.8%
Reserves	6,377,702	24.6%	8,757,335	6.4%	15,135,037	9.3%
Rehabilitation	2,276,115	8.8%	2,637,693	1.9%	4,913,808	3.0%
Operations	2,124,981	8.2%	5,115,935	3.7%	7,240,916	4.4%
Special Purpose Housing	1,830,539	7.0%	927,214	0.7%	2,757,753	1.7%
Property Management	1,743,319	6.7%	10,719,220	7.8%	12,462,539	7.7%
Homeownership	1,599,116	6.2%	817,726	0.6%	2,416,842	1.5%
Portfolio Servicing	1,115,754	4.3%	1,787,977	1.3%	2,903,731	1.8%
Resident Services	61,300	0.2%	2,115,152	1.6%	2,176,452	1.3%
Rental Assistance	0	0.0%	103,210,792	75.6%	103,210,792	63.5%
Total Proposed Budget	25,966,659	100.0%	136,612,748	100.0%	162,579,407	100.0%

This allocation of Unrestricted Revenues is similar to previous fiscal years. As the chart demonstrates, the majority of unrestricted funding is provided to Rental Housing Production with significant allocations for Homeownership, Rehabilitation and Special Purpose Housing. Most reserves are earmarked to provide for the future administration of multiyear programs, litigation, insurance, and a provision for the building reserves. A small amount (1.2% of the budget) is set aside for unanticipated purposes.

Commissioners can shift unrestricted funds under certain conditions from one activity to another. However, reducing activities below certain minimum levels could result in a high proportion of administrative costs for that activity, making it no longer economically viable. Staff recommends maintaining at least minimum viable program levels in all programs so that these services can be augmented as community needs change.

Revenues

The proposed FY04 Budget includes \$162.6 million in estimated revenue sources, representing a net increase of \$13.1 million from the current FY03 revenues. Of this amount, approximately 84% are restricted revenues that can only be used for the purpose for which they were granted by the funding sources. Conversely, 16% of revenues are subject to significant local discretion. The net increase in revenues reflects a large growth in Rental Assistance and the transfer into the budget of project reserves for owned apartments. This increase is partially offset by less carryover revenue for loan programs. Revenues are discussed in greater detail in Section III, Addendum 2.

FY04 BUDGET

San Diego Housing Commission

Summary of FY04 Budget

Revenues

	FY03	FY04	Change
San Diego Revenues	\$ 20,324,935	\$ 18,302,457	\$ (2,022,478)
State Revenues	600,711	876,368	275,657
Federal Revenues	<u>128,587,577</u>	<u>143,400,582</u>	<u>14,813,005</u>
	\$ 149,513,223	\$ 162,579,407	\$ 13,066,184

It is likely that Federal grants will increase available revenues during **FY04**. New Section 8 vouchers are expected to be available at about half of the FY03 allocation. Also, it is expected that the State will make available funds for homeownership and rehabilitation activities in **FY04** from the statewide housing bond approved in November 2002. Rental development bond monies will flow directly to projects and not through the Housing Commission's budget. However, it is less likely that San Diego-generated revenues will be replenished to their **FY03** levels. The carryover of CCDC, HOME, Housing Trust, Redevelopment and Shea funds will be less in FY04 than occurred in FY03 due to the expected obligation and/or completion in the current fiscal year of a number of housing projects or programs. New Housing Trust Funds are expected to remain constant and there is an increase in new HOME funds. Finally, the type of San Diego-generated revenue called Local funds decreased primarily due to the one-time receipt of litigation settlements in **FY03**; this is not expected to repeat in **FY04**. It should be noted that the lease-up rate for the Voucher program has improved dramatically and is hovering around 100%. This is significant because units under lease generate administrative revenues, and surplus funds become Local funds that can pay for activities ineligible for many other funding sources such as homeless shelters, social services, task forces, planning and administrative activities. The Executive Summary in the FY02 Budget anticipated the declining trend in Local funds in FY03 and beyond. Reserve funds for all property management sites that are held for major maintenance items were previously reported in the Addendum as Non- Budgeted Restricted Cash. This year, these Reserve funds are moved into the Program Reserves section (Section III, Addendum 1) of the budget document for clarity; they remain reserved for their same use.

Expenditures

The proposed **FY04** Budget shows a 9% increase in proposed expenditures and reserves. The FY04 Budget reflects a 6% increase in salary and benefits and a 3% decrease in supplies and services that are discussed below. Housing Programs expenses reflect an increase of 7% primarily in rent payments due to additional units and for anticipated rent increases for landlords through FY04. This increase has been partially offset by the obligation and/or expenditure in FY03 of most loan funds on various development projects in the current fiscal year and allow for less loan activity in FY04. Expenditures are discussed in greater detail in Section III, Addendum 3.

Expenditures

	FY03	FY04	Change
Salaries & Benefits	\$ 15,052,224	\$ 15,963,223	\$ 910,999
Services & Supplies	7,243,368	7,061,611	(181,757)
Housing Programs	116,531,968	124,419,536	7,887,568
Reserves	<u>10,685,663</u>	<u>15,135,037</u>	<u>4,449,374</u>
	\$ 149,513,223	\$ 162,579,407	\$ 13,066,184

FY04 BUDGET

San Diego Housing Commission

Summary of FY04 Budget

Staffing is unchanged, although there is an increase of two (2.00) positions in Rental Assistance for the additional workload resulting from leasing all available vouchers, and a reduction of two (2.00) administrative positions in Human Resources due to the declining availability of Federal and Local sources of administrative funding. Midyear funding is expected to bring the year-end ratio of salaries to programs to below that in [FY03](#).

Supplies and Services have decreased 3% with less legal cost anticipated for construction defect issues. All activities were reviewed; this led to the elimination/reduction of several consultants and a decrease in rented office space with the transfer of the maintenance staff to the Calle Primera site. Also, there were decreases in travel, sundry and equipment. These decreases were partially offset by increases in most insurances; extraordinary maintenance at the Newton facility to provide for painting, flooring, HVAC upgrade and parking lot seal; and utility cost increases.

Housing Programs expenditures have increased 7% and is primarily due to the addition of 144 units, annualizing rent payments for the additional units leased, and providing for rent increases to landlords through FY04. This increase has been partially offset by the obligation and/or expenditure of most loan funds on various development projects in the current fiscal year and will lead to substantially less carryover of funds from FY03 than occurred in FY02 to support Rental Housing Development, Homeownership and Rehabilitation.

Administrative Issues

In December 1996, the Select Committee report recommended that the Agency's auditor be commissioned to segregate administrative expenses from those associated with service delivery. This study was completed and demonstrated that less than 8% of the Housing Commission's budget was devoted to administration at that time. This level of service is projected to be substantially less in the [FY04](#) Budget.

In [FY04](#), the Chief Executive Officer (CEO) will continue to control overhead and cut initial budget requests for personnel, supplies and services. All activities were reviewed in FY03 and this review led to the reduction of two (2.00) staff, the elimination/reduction of several consultants, and a decrease in rented office space with the transfer of the maintenance staff to the Calle Primera site to compensate for the declining availability of Federal and Local sources of administrative funding. In addition, the five-year trend of flattening the organization by reducing Activity Groups from four (4) to three (3) and reducing management positions from twenty-one (21) to ten (10) continues in FY04 with these levels maintained.

The recently adopted Business Plan is integrated into the budget to hold down costs and seek to expand revenues. Opportunities for process improvements and integrating the latest technology to yield greater service or further savings will continue to be examined.

Salaries and Benefits

The [FY04](#) Budget proposal includes no net change in total staff although there is an increase of two (2.00) positions in Rental Assistance for the increased inspections of units resulting from leasing all units, and a decrease of two (2.00) positions in the Human Resources activity due to the declining availability of Federal and Local sources of administrative funding. A summary of staffing changes is included in Section III, Addendum 4.

FY04 BUDGET

San Diego Housing Commission

Summary of FY04 Budget

Summary of FY04 Budgeted Positions

	Current FY03	Proposed FY04	Change
Staffing Positions	245.50	245.50	0.00

FY04 Budgeted salaries reflect the implementation of the salary adjustments that were approved by the Board two (2) years ago as part of a three-year labor agreement, as well as a provision for employee progression on the seven-step merit pay range.

The agreement with SEIU Local 535, the union that represents about two-thirds of the Housing Commission's employees, provided for a 2.5% increase in salary for FY04; benefits will increase 8% primarily due to much higher worker compensation rates for all employees. Addendum 7 describes salaries and benefits cost increases in detail (Section III, Addendum 7).

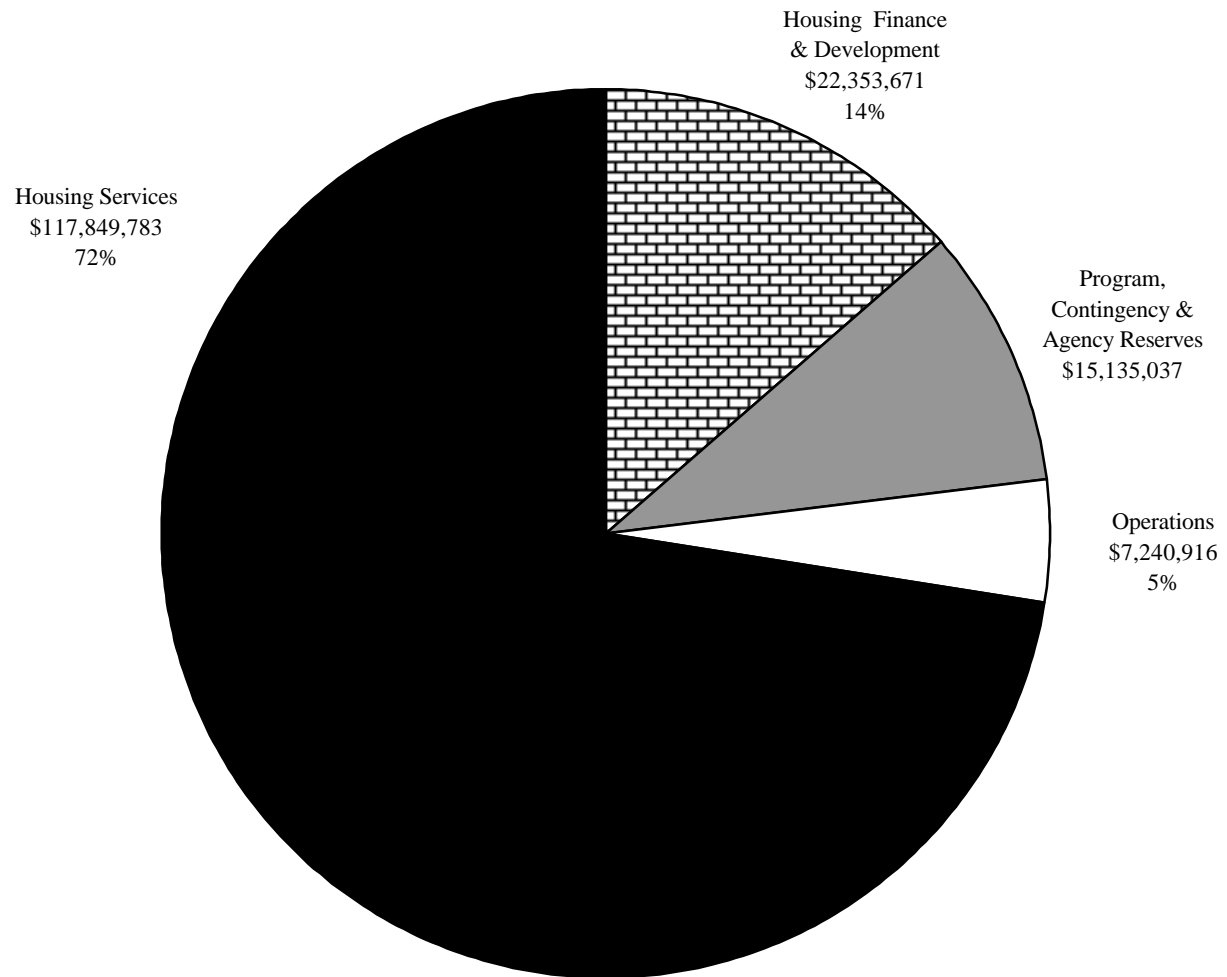
Beneficiaries

Proposed budget activities are targeted to serve lower income households with the vast majority of the budget targeting the very low-income earning well below 50% of area median income (AMI). Almost all of the Housing Services programs, which comprise almost 73% of the budget, serve households with very low-incomes. The average annual income of households served by these programs is \$15,131.

In addition, within the Housing Finance & Development Activity Group, Special Purpose Housing targets those with extremely low-incomes. This activity represents an additional 2% of the budget for a total of approximately 75% of the budget targeted to serve this income group.

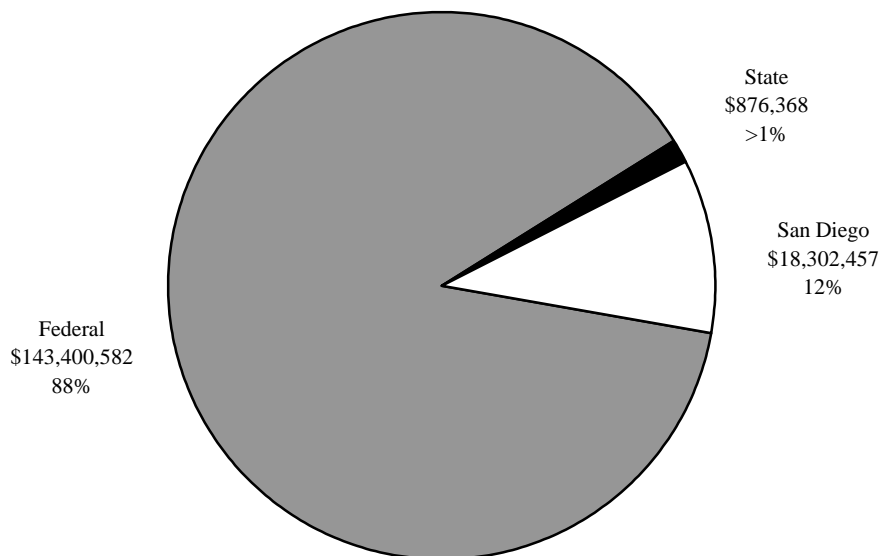
Rental Housing Production, Rehabilitation and Homeownership activities generally serve those at somewhat higher incomes. Rental Housing Production activities typically target households with incomes between 45% and 60% of AMI, while Homeownership activities generally serve those averaging 70% of AMI. Rehabilitation activities may serve households up to 80% of AMI, but the typical beneficiary earns less than 30% AMI (extremely low-income).

FY04 Budget by Activity Group **Total \$162,579,407***

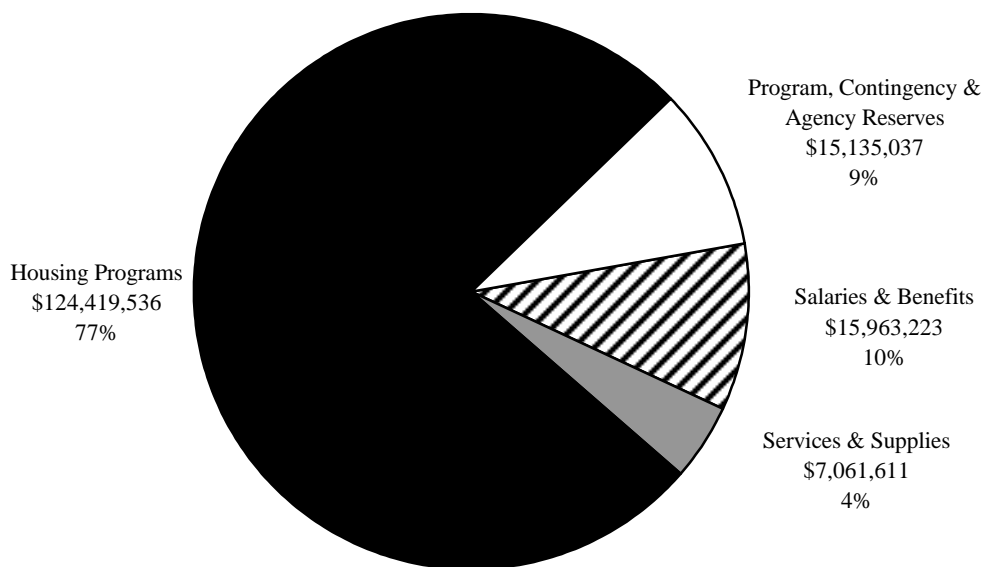


***Note: Does not include Continuing Appropriations of \$10,016,701**

FY04 Revenue by Major Category **Total \$162,579,407***

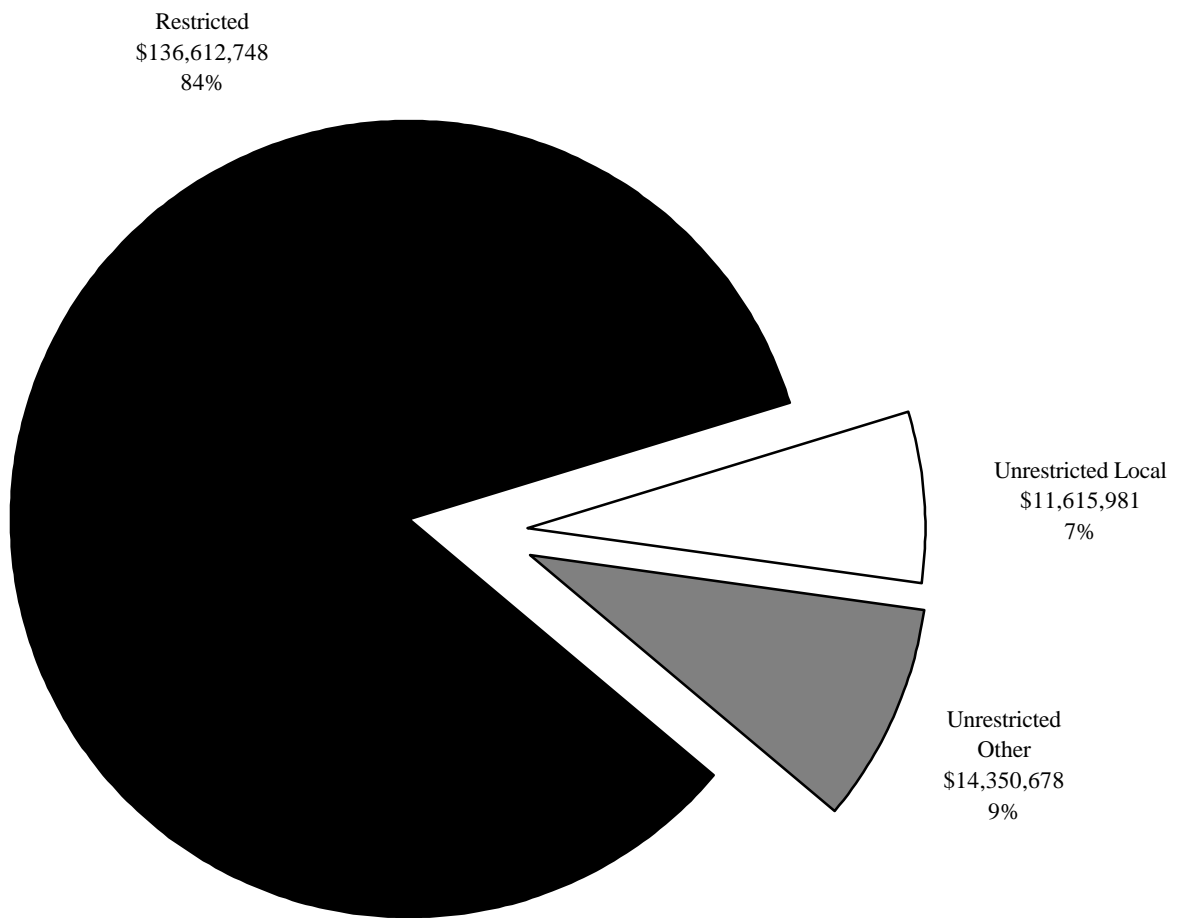


FY04 Expense by Major Category **Total \$162,579,407***



***Note: Does not include Continuing Appropriations of \$10,016,701**

FY04 Revenues
Restricted and Unrestricted
Total \$162,579,407*



*** Note: Does not include Continuing Appropriations of \$10,016,701**

II. ACTIVITY BASED BUDGET

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San Diego Housing Commission

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FY04 BUDGET
San Diego Housing Commission

Schedule I

2-1

Activity Based Budget Summary									
Activities	# of Staff	Salaries & Benefits	Services & Supplies	Housing Programs	Program & Contingency Reserves	Total Proposed Budget	Continuing Appropriations	FY03 Current Budget	FY03 Original Budget
Housing Services	157.33	9,124,858	2,381,605	106,343,320	0	117,849,783	250,744	106,654,187	99,984,439
Rental Assistance	87.50	5,057,806	1,051,458	97,101,528	0	103,210,792	62,770	91,205,680	86,832,875
Property Management	54.83	3,059,864	981,181	8,421,494	0	12,462,539	0	12,149,572	10,384,073
Management	27.60	1,386,790	470,680	1,200,637	0	3,058,107	0	2,917,693	2,907,693
Routine Maintenance	21.18	1,180,248	311,356	3,475,072	0	4,966,676	0	4,756,026	4,729,791
Major Renovations	6.05	492,826	199,145	3,745,785	0	4,437,756	0	4,475,853	2,746,589
Resident Services	15.00	1,007,188	348,966	820,298	0	2,176,452	187,974	3,298,935	2,767,491
Housing Finance & Development	34.15	2,742,856	1,534,599	18,076,216	0	22,353,671	9,549,055	25,220,666	25,265,008
Rental Housing Production	12.15	1,094,580	313,955	7,953,002	0	9,361,537	5,270,151	10,671,268	10,728,025
Homeownership	2.30	166,991	91,136	2,158,715	0	2,416,842	817,172	3,777,364	4,363,713
Rehabilitation	9.70	799,181	246,664	3,867,963	0	4,913,808	288,125	5,457,584	5,190,386
Rental Housing	1.10	93,154	95,231	846,509	0	1,034,894	0	221,993	645,048
Owner Occupied	8.60	706,027	151,433	3,021,454	0	3,878,914	288,125	5,235,591	4,545,338
Portfolio Servicing & Occupancy Monitoring	8.05	523,276	722,987	1,657,468	0	2,903,731	0	2,582,302	2,445,362
Special Purpose Housing	1.95	158,828	159,857	2,439,068	0	2,757,753	3,173,607	2,732,148	2,537,522
Operations	54.02	4,095,509	3,145,407	0	0	7,240,916	216,902	6,952,707	6,862,320
Board & Executive Functions	6.95	714,497	305,552	0	0	1,020,049	0	1,012,874	972,460
Support Services	43.22	3,028,001	2,763,196	0	0	5,791,197	216,902	5,478,927	5,428,954
Human Resources	4.00	349,095	191,375	0	0	540,470	11,277	675,601	675,601
Information Systems	8.00	613,218	928,227	0	0	1,541,445	205,625	1,353,571	1,330,589
Financial Services	27.00	1,740,824	622,703	0	0	2,363,527	0	2,202,681	2,178,681
Organizational Development & Training	3.05	229,881	139,377	0	0	369,258	0	384,737	384,737
Facilities Management	1.17	94,983	881,514	0	0	976,497	0	862,337	859,346
Communications & Operations Development	3.85	353,011	76,659	0	0	429,670	0	460,906	460,906
Program, Contingency & Agency Reserves	0.00	0	0	0	15,135,037	15,135,037	0	10,685,663	5,000,514
FY04 Proposed Activity Based Budget	245.50	15,963,223	7,061,611	124,419,536	15,135,037	162,579,407	10,016,701	149,513,223	137,112,281
FY03 Current Budget	245.50	15,052,224	7,243,368	116,531,968	10,685,663	149,513,223	21,948,168		

FY04 BUDGET
San Diego Housing Commission

Schedule II

Activities and Revenues

Restricted Revenue Sources

Unrestricted Revenue Sources

Activities	FY04 Proposed Budget	Section 8	Other HUD	State	CDBG	Restricted Local	Rental Rehabilitation	Local	Housing Trust Funds	HOME
	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Housing Services	117,849,783	103,536,233	9,787,430	574,181	0	2,147,320	0	1,804,619	0	0
Rental Assistance	103,210,792	103,210,792	0	0	0	0	0	0	0	0
Property Management	12,462,539	0	8,059,345	574,181	0	2,085,694	0	1,743,319	0	0
Management	3,058,107	0	1,687,228	137,633	0	1,223,934	0	9,312	0	0
Routine Maintenance	4,966,676	0	3,965,036	327,798	0	525,523	0	148,319	0	0
Major Renovations	4,437,756	0	2,407,081	108,750	0	336,237	0	1,585,688	0	0
Resident Services	2,176,452	325,441	1,728,085	0	0	61,626	0	61,300	0	0
Housing Finance & Development	22,353,671	30,000	1,847,631	1,523	3,082,039	1,733,121	364,784	2,535,177	1,759,689	10,999,707
Rental Housing Production	9,361,537	0	17,173	0	506,112	419	0	826,548	319,277	7,692,008
Homeownership	2,416,842	0	0	1,523	30,000	786,203	0	70,013	109,216	1,419,887
Rehabilitation	4,913,808	0	1,174,298	0	968,036	495,359	0	210,207	294,104	1,771,804
Rental Housing	1,034,894	0	900,494	0	0	0	0	0	0	134,400
Owner Occupied	3,878,914	0	273,804	0	968,036	495,359	0	210,207	294,104	1,637,404
Portfolio Servicing & Occup Monitoring	2,903,731	0	0	0	1,337,891	450,086	0	954,746	45,000	116,008
Special Purpose Housing	2,757,753	30,000	656,160	0	240,000	1,054	364,784	473,663	992,092	0
Operations	7,240,916	2,341,582	2,102,405	109,860	350,849	211,239	0	1,785,316	51,247	288,418
Board & Executive Functions	1,020,049	356,563	303,101	14,133	113,951	29,824	0	92,159	16,644	93,674
Support Services	5,791,197	1,985,019	1,799,304	95,727	236,898	181,415	0	1,263,487	34,603	194,744
Human Resources	540,470	276,472	169,594	8,367	20,341	16,005	0	29,996	2,973	16,722
Information Systems	1,541,445	758,304	502,880	26,094	62,851	51,499	0	78,970	9,179	51,668
Financial Services	2,363,527	772,683	1,003,732	54,235	139,546	101,873	0	156,361	20,383	114,714
Organizational Development & Training	369,258	177,560	123,098	7,031	14,160	12,038	0	21,663	2,068	11,640
Facilities Management	976,497	0	0	0	0	0	0	976,497	0	0
Communications & Operations Development	429,670	0	0	0	0	0	0	429,670	0	0
Program, Contingency & Agency Reserves	15,135,037	2,516,897	5,265,774	190,804	0	783,860	0	5,490,869	0	886,833
FY04 Proposed Budget	162,579,407	108,424,712	19,003,240	876,368	3,432,888	4,875,540	364,784	11,615,981	1,810,936	12,174,958
FY03 Current Budget	149,513,223	96,036,246	16,059,422	600,711	3,623,328	5,012,331	636,854	12,456,250	2,856,354	12,231,727

FY04 BUDGET

San Diego Housing Commission

ACTIVITY GROUP I: HOUSING SERVICES

Housing Services encompasses those activities that provide direct housing assistance and supportive services to the agency's primary clients, approximately 14,690 low-, very low-, and extremely low-income families. These program activities provide eligible families with Rental Assistance; oversee Property Management and Maintenance of agency-owned and managed complexes and coordinate the provision of Resident Services to assist clients to become independent of assistance.

POLICY ISSUES:

1. Pursue alternate sources of funding to replace discontinued services.

RESOURCE ALLOCATION:	FY03		FY04	
	Current		Proposed	
Budget	\$	106,654,187	\$	117,849,783
Continuing Appropriations	\$	1,199,333	\$	250,744
Positions		154.93		157.33

The Housing Services Activity Group includes the following Activities:

ACTIVITY IA: RENTAL ASSISTANCE

PURPOSE AND DESCRIPTION: The Rental Assistance Program (RAP) provides rental subsidies to approximately 12,296 qualified low-income households (35,000 individuals) living in privately owned rental units. The primary program is the federally funded Voucher program, but also includes Moderate Rehabilitation, New Construction and the Move to Work programs. This activity includes waiting list and eligibility, unit inspections and rent determination, and ongoing program operations.

RESOURCE ALLOCATION:	FY03		FY04	
	Current		Proposed	
Budget	\$	91,205,680	\$	103,210,792
Continuing Appropriations	\$	62,770	\$	62,770
Positions		85.35		87.50

FY04 BUDGET

San Diego Housing Commission

ACTIVITY IB: PROPERTY MANAGEMENT			
PURPOSE AND DESCRIPTION: Property Management is responsible for the operation of all 1,769 Housing Commission-owned and/or managed units. Eligibility maintains the waiting list and selects qualified applicants for program participation. Occupancy provides lease-up services and ensures resident compliance with programmatic and lease requirements. Routine Maintenance provides for the daily routine and preventive maintenance functions of all Housing Commission-owned properties. Major Renovations ensures the long-term viability of the Housing Commission's housing stock through the completion of capital improvement projects.			
RESOURCE ALLOCATION:		FY03	FY04
		Current	Proposed
	Budget	\$ 12,149,572	\$ 12,462,539
	Continuing Appropriations	\$ 639,760	\$ 0
	Positions	54.58	54.83

ACTIVITY IC: RESIDENT SERVICES			
PURPOSE AND DESCRIPTION: The primary goal of Resident Services is to promote the self-sufficiency of residents of assisted housing and their full participation in the community. This goal is achieved as follows: 1) Self-Sufficiency is fostered through collaborations with community organizations which target training and supportive services to 625 families; 2) Youth, Families and Senior programs enhance school performance, personal growth and access to employment opportunities through development of on-site learning centers, special programs for crime prevention and intervention for youth and families, as well as information and referral services for elderly residents. Additional funding is pursued through grant writing efforts to maintain the current level of services.			
RESOURCE ALLOCATION:		FY03	FY04
		Current	Proposed
	Budget	\$ 3,298,935	\$ 2,176,452
	Continuing Appropriations	\$ 496,803	\$ 187,974
	Positions	15.00	15.00

FY04 BUDGET

San Diego Housing Commission

ACTIVITY GROUP II: HOUSING FINANCE & DEVELOPMENT			
Housing Finance and Development activities facilitate the creation of additional affordable housing opportunities by providing financing for development of housing by nonprofits, for-profits and for direct development; support for low-income homebuyers; preservation of existing affordable housing; provision of technical assistance, underwriting and loan servicing.			
POLICY ISSUES:			
<ol style="list-style-type: none"> 1. Increased cost of development and home purchase. 2. Actively pursue development opportunities pursuant to Business Plan. 3. Seek additional revenues for lending programs. 			
RESOURCE ALLOCATION:		FY03	FY04
		Current	Proposed
	Budget	\$ 25,220,666	\$ 22,353,671
	Continuing Appropriations	\$ 20,139,727	\$ 9,549,055
	Positions	34.15	34.15

The Housing Finance & Development Activity Group includes the following Activities:

ACTIVITY IIA: RENTAL HOUSING PRODUCTION			
PURPOSE AND DESCRIPTION: This activity involves the development and preservation of 312 units of affordable rental housing, including acquisition, acquisition with rehabilitation, and new construction. This activity also provides project management support for 800 units in development. Included in this activity is the provision of technical assistance and/or financing to nonprofit and for-profit developers; development of rental housing by the Housing Commission and the Housing Development Partners; and development and implementation of policies and programs that result in private sector development of affordable rental housing.			
RESOURCE ALLOCATION:		FY03	FY04
		Current	Proposed
	Budget	\$ 10,671,268	\$ 9,361,537
	Continuing Appropriations	\$ 11,819,918	\$ 5,270,151
	Positions	11.50	12.15

FY04 BUDGET

San Diego Housing Commission

ACTIVITY IIB: HOMEOWNERSHIP				
PURPOSE AND DESCRIPTION: This activity provides for a range of financial products and technical assistance designed to help approximately 87 low- and moderate-income households purchase homes, and improve affordability for 75 existing homeowners with reissued Mortgage Credit Certificates.				
RESOURCE ALLOCATION:			FY03 Current	FY04 Proposed
	Budget	\$	3,777,364	\$ 2,416,842
	Continuing Appropriations	\$	1,864,638	\$ 817,172
	Positions		4.50	2.30

ACTIVITY IIC: REHABILITATION				
PURPOSE AND DESCRIPTION: The Rehabilitation activity provides financial and technical assistance for the renovation of 983 homes or mobile homes occupied by low-income households, and investor-owned housing occupied by low-income renters.				
RESOURCE ALLOCATION:			FY03 Current	FY04 Proposed
	Budget	\$	5,457,584	\$ 4,913,808
	Continuing Appropriations	\$	1,238,967	\$ 288,125
	Positions		8.90	9.70

ACTIVITY IID: PORTFOLIO SERVICING & OCCUPANCY MONITORING				
PURPOSE AND DESCRIPTION: This activity includes servicing and administration of the Housing Commission's \$82.1 million loan portfolio and \$515 million bond portfolio. Monitoring projects for compliance with occupancy and affordability restrictions and managing the Housing Commission's relocation/tenant assistance program are included. Administration of the Reinvestment Task Force is also included in this activity.				
RESOURCE ALLOCATION:			FY03 Current	FY04 Proposed
	Budget	\$	2,582,302	\$ 2,903,731
	Continuing Appropriations	\$	0	\$ 0
	Positions		7.50	8.05

FY04 BUDGET
San Diego Housing Commission

ACTIVITY IIE: SPECIAL PURPOSE HOUSING				
PURPOSE AND DESCRIPTION: Provide funding to support affordable housing or services for 220 persons with special needs. Includes transitional housing, group homes and supportive housing or services as well as homeless services.				
RESOURCE ALLOCATION:			FY03 Current	FY04 Proposed
	Budget	\$	2,732,148	\$ 2,757,753
	Continuing Appropriations	\$	5,216,204	\$ 3,173,607
	Positions		1.75	1.95

FY04 BUDGET

San Diego Housing Commission

ACTIVITY GROUP III: OPERATIONS

Operations activities provide support services to carry out housing program mission and goals. Board and Executive Function provides strategic planning, policy direction, leadership, and management to implement housing programs. Support Services include internal operations needed to deliver housing program services and projects. Communications & Operations Development serves to inform and educate clients and the community about affordable housing issues and programs, provides ombudsman services and provides customer feedback to the Housing Commission.

RESOURCE ALLOCATION:		FY03		FY04	
		Current		Proposed	
Budget	\$	6,952,707	\$	7,240,916	
Continuing Appropriations	\$	609,108	\$	216,902	
Positions		56.42		54.02	

The Operations Activity Group includes the following Activities:

ACTIVITY IIIA: BOARD & EXECUTIVE FUNCTIONS

PURPOSE AND DESCRIPTION: This activity includes strategic planning, policy analysis and development, management, and direction for the agency. The Chief Executive Officer and Chief Operating Officer and their immediate support staff, as well as support to the Boards of the Housing Commission, Housing Authority, and Model School Development Agency are included. Also included is the policy function.

RESOURCE ALLOCATION:		FY03		FY04	
		Current		Proposed	
Budget	\$	1,012,874	\$	1,020,049	
Continuing Appropriations	\$	22,973	\$	0	
Positions		6.95		6.95	

FY04 BUDGET

San Diego Housing Commission

ACTIVITY IIIB: SUPPORT SERVICES				
PURPOSE AND DESCRIPTION: Operations activities of the agency provide direct staff, equipment and contracting services to support housing program functions. These internal operations of the Housing Commission include Human Resources, Information Systems, Financial Services, Facilities Management, and Organizational Development & Training.				
RESOURCE ALLOCATION:		FY03		FY04
		Current		Proposed
	Budget	\$	5,478,927	\$ 5,791,197
	Continuing Appropriations	\$	549,552	\$ 216,902
	Positions		45.47	43.22

ACTIVITY IIIC: COMMUNICATIONS & OPERATIONS DEVELOPMENT				
PURPOSE AND DESCRIPTION: To open channels of communication between the Housing Commission and its public – including clients, Commissioners, government officials, the media, the community at large, and agency staff – to educate external publics about affordable housing issues and to inform internal publics about current events and concerns. Activities include publicity, special events, publications, requests for information from the media and the public. Includes ombudsman who assists in resolving customer and neighborhood concerns. Operations Development includes re-engineering agency processes so goals are accomplished at constantly improving levels of efficiency.				
RESOURCE ALLOCATION:		FY03		FY04
		Current		Proposed
	Budget	\$	460,906	\$ 429,670
	Continuing Appropriations	\$	36,583	\$ 0
	Positions		4.00	3.85

III. ADDENDA

FY04 BUDGET

San Diego Housing Commission

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Activity Based Budget Detail

HOUSING SERVICES

ACTIVITY GROUP

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING SERVICES																					
ACTIVITY: RENTAL ASSISTANCE																					
SUBACTIVITY: Rental Assistance																					
Purpose and Description of the Activity:	Provide rental subsidies to approximately 12,296 qualified low-income households (35,000 individuals) living in privately owned rental units. All programs are federally funded. This activity includes waiting list, eligibility determination, unit inspection, rent determination, and ongoing administrative operations.																				
Objectives:	<div>1. Maximize utilization of housing assistance by maintaining average lease-up of 98%.</div> <div>2. Continue to monitor and re-engineer the Rental Assistance Program and review potential outsourcing of services. (Strategy #7)</div> <div>3. Strengthen supervisor training and development curriculum as part of San Diego Housing Commission succession plan. (Strategy #11)</div> <div>4. Continue to work aggressively with an Owner Advisory Board to provide input and information to ensure program compliance and improved communication. (Strategy #15)</div>																				
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>91,205,680</td><td>\$ 103,210,792</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>62,770</td><td>\$ 62,770</td></tr><tr><td>Positions</td><td></td><td>85.35</td><td>87.50</td></tr></table>			FY03	FY04			Current	Proposed	Budget	\$	91,205,680	\$ 103,210,792	Continuing Appropriations	\$	62,770	\$ 62,770	Positions		85.35	87.50
		FY03	FY04																		
		Current	Proposed																		
Budget	\$	91,205,680	\$ 103,210,792																		
Continuing Appropriations	\$	62,770	\$ 62,770																		
Positions		85.35	87.50																		

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING SERVICES****RENTAL ASSISTANCE****Rental Assistance**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	4,645,342	5,057,806	9%
Services & Supplies	1,215,251	1,051,458	-13%
Housing Programs			
Rent to Owners	85,330,087	97,101,528	14%
Loans & Grants	15,000	0	-100%
Housing Programs Total	85,345,087	97,101,528	14%
TOTAL EXPENDITURES	91,205,680	103,210,792	13%
REVENUES			
Restricted			
Section 8	91,190,680	103,210,792	13%
Restricted Total	91,190,680	103,210,792	13%
Unrestricted			
Local	15,000	0	-100%
Unrestricted Total	15,000	0	-100%
TOTAL REVENUES	91,205,680	103,210,792	13%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING SERVICES
ACTIVITY:	RENTAL ASSISTANCE
SUBACTIVITY:	Rental Assistance

Summary of Major Changes:

Salaries & Benefits: The increase of \$412,464 is primarily due to provisions for salary, benefits and employee pay plan increases in FY04. In addition, there is an increase of two (2.00) Housing Assistant II positions and a transfer of 0.15 of a Community Relations Liaison position from Communications & Operations Development to the Rental Assistance activity.

Services & Supplies: The decrease of \$163,793 is primarily due to the reduction of \$98,923 in telephone and photocopy costs that were transferred to Information Systems for centralized control. In addition, there are decreases of \$33,000 for legal due to actual usage; \$29,228 in contract/consultants primarily in temporary employees; \$12,175 in equipment due to one-time purchases in FY03; \$8,784 in sundry, primarily in rent processing fees to landlords; and \$2,924 in training with the completion of one-time staff training on new HUD rules and SEMAP meetings in FY03. These decreases were partially offset by increases of \$10,936 for the reallocation of office rent; \$8,544 for data processing for maintenance of additional records; and \$1,761 for general liability due to the increase of units leased.

Housing Programs: The increase of \$11,756,441 is primarily due to the addition of 144 units, annualizing rent payments for the additional units leased, and providing for rent increases through FY04. These factors combine into an increase of \$11,771,441 in Rent to Owners. This increase is partially offset by a reduction of \$15,000 for loans and grants that were transferred to Special Purpose Housing to better reflect the activity. These funds provide for security deposit loans and are administered by the Fair Housing Council.

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING SERVICES																										
ACTIVITY: PROPERTY MANAGEMENT																										
SUBACTIVITY: Management																										
Purpose and Description of the Activity:	Ensure full utilization of existing housing resources through the achievement and maintenance of a 99% occupancy rate.																									
Objectives:	1. Implement new Housing Services software in order to increase efficiency and improve customer service. 2. Analyze re-use options for the University Canyon development. (Strategy #5)																									
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td></td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td></td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>2,917,693</td><td>\$</td><td>3,058,107</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>21,492</td><td>\$</td><td>0</td></tr><tr><td>Positions</td><td></td><td>27.60</td><td></td><td>27.60</td></tr></table>			FY03		FY04			Current		Proposed	Budget	\$	2,917,693	\$	3,058,107	Continuing Appropriations	\$	21,492	\$	0	Positions		27.60		27.60
		FY03		FY04																						
		Current		Proposed																						
Budget	\$	2,917,693	\$	3,058,107																						
Continuing Appropriations	\$	21,492	\$	0																						
Positions		27.60		27.60																						

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING SERVICES****PROPERTY MANAGEMENT****Management**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	1,270,424	1,386,790	9%
Services & Supplies	446,632	470,680	5%
Housing Programs			
Rent to Owners	165,870	165,870	0%
Other Housing Programs	1,034,767	1,034,767	0%
Housing Programs Total	1,200,637	1,200,637	0%
TOTAL EXPENDITURES	2,917,693	3,058,107	5%
REVENUES			
Restricted			
Other HUD	1,567,115	1,687,228	8%
State	130,288	137,633	6%
Restricted Local	1,196,502	1,223,934	2%
Restricted Total	2,893,905	3,048,795	5%
Unrestricted			
Local	23,788	9,312	-61%
Unrestricted Total	23,788	9,312	-61%
TOTAL REVENUES	2,917,693	3,058,107	5%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING SERVICES
ACTIVITY:	PROPERTY MANAGEMENT
SUBACTIVITY:	Management

Summary of Major Changes:

Salaries & Benefits: The increase of \$116,366 is due to the provisions for salary, benefits and employee pay plan increases in FY04.

Services & Supplies: The increase of \$24,048 is primarily due to the increase of \$60,149 in general liability and property insurance expected in FY04. In addition, there are increases of \$24,290 in sundry for printing and mileage based on actual experience; \$1,668 to provide for maintenance of records for the Maya Apartments; and \$437 for the reallocation of office rent. These increases were partially offset by decreases of \$39,492 in telephone and photocopy costs that were transferred to Information Systems for centralized control; \$22,968 in contract/consultants for ECS software implementation that was transferred to Information Systems to better reflect the activity; and a modest decrease of \$36 in office equipment.

Housing Programs: There is no change.

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING SERVICES																					
ACTIVITY: PROPERTY MANAGEMENT																					
SUBACTIVITY: Routine Maintenance																					
Purpose and Description of the Activity:	Provide for the cost effective daily routine and preventive maintenance of all San Diego Housing Commission-owned and/or managed properties.																				
Objectives:	1. Maintain all San Diego Housing Commission-owned properties to high standard to promote neighborhood support and asset via bility.																				
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>4,756,026</td><td>\$ 4,966,676</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>160,157</td><td>\$ 0</td></tr><tr><td>Positions</td><td></td><td>21.03</td><td>21.18</td></tr></table>			FY03	FY04			Current	Proposed	Budget	\$	4,756,026	\$ 4,966,676	Continuing Appropriations	\$	160,157	\$ 0	Positions		21.03	21.18
		FY03	FY04																		
		Current	Proposed																		
Budget	\$	4,756,026	\$ 4,966,676																		
Continuing Appropriations	\$	160,157	\$ 0																		
Positions		21.03	21.18																		

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING SERVICES****PROPERTY MANAGEMENT****Routine Maintenance**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	1,125,796	1,180,248	5%
Services & Supplies	464,224	311,356	-33%
Housing Programs			
Other Housing Programs	3,166,006	3,475,072	10%
Housing Programs Total	3,166,006	3,475,072	10%
TOTAL EXPENDITURES	4,756,026	4,966,676	4%
REVENUES			
Restricted			
Other HUD	3,812,691	3,965,036	4%
State	317,036	327,798	3%
Restricted Local	482,240	525,523	9%
Restricted Total	4,611,967	4,818,357	4%
Unrestricted			
Local	144,059	148,319	3%
Unrestricted Total	144,059	148,319	3%
TOTAL REVENUES	4,756,026	4,966,676	4%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING SERVICES
ACTIVITY:	PROPERTY MANAGEMENT
SUBACTIVITY:	Routine Maintenance

Summary of Major Changes:

Salaries & Benefits: The increase of \$54,452 is primarily due to provisions for salary, benefit and employee pay plan increases in FY04. In addition, there is the net transfer of 0.15 of a number of positions from Facilities Management and Major Renovations to Routine Maintenance due to reallocation of staff in order to better reflect cost.

Services & Supplies: The decrease of \$152,868 is primarily due to the decrease of \$130,410 in office rent due to moving staff from Ridgehaven to Calle Primera. In addition, there are decreases of \$29,785 in telephone and photocopy costs that were transferred to Information Systems for centralized control; and \$24,115 in contract/consultants for ECS software implementation that was transferred to Information Systems to better reflect the activity. These decreases were partially offset by an increase of \$22,568 in sundry, primarily for gasoline for agency maintenance vehicles, vehicle repairs and printing. Also, there is an increase of \$8,874 in equipment, primarily for new vehicles to replace aging stock.

Housing Programs: The increase of \$309,066 is primarily due to the \$264,622 increase in maintenance materials and maintenance contracts due to aging building stock and higher contract costs. The balance of the increase of \$44,444 is for water, sewer, gas and electric utilities, and there is a provision for a 4% increase in FY04.

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING SERVICES																					
ACTIVITY: PROPERTY MANAGEMENT																					
SUBACTIVITY: Major Renovations																					
Purpose and Description of the Activity:	Complete capital improvement projects at San Diego Housing Commission-owned and managed developments.																				
Objectives:	<div>1. Ensure the long-term viability of San Diego Housing Commission-owned developments through the completion of capital improvement projects.</div> <div>2. Appraise all Housing Commission-owned properties to assess value and potential available equity. (Strategy #1)</div>																				
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>4,475,853</td><td>\$ 4,437,756</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>458,111</td><td>\$ 0</td></tr><tr><td>Positions</td><td></td><td>5.95</td><td>6.05</td></tr></table>			FY03	FY04			Current	Proposed	Budget	\$	4,475,853	\$ 4,437,756	Continuing Appropriations	\$	458,111	\$ 0	Positions		5.95	6.05
		FY03	FY04																		
		Current	Proposed																		
Budget	\$	4,475,853	\$ 4,437,756																		
Continuing Appropriations	\$	458,111	\$ 0																		
Positions		5.95	6.05																		

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING SERVICES****PROPERTY MANAGEMENT****Major Renovations**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	454,109	492,826	9%
Services & Supplies	491,838	199,145	-60%
Housing Programs			
Other Housing Programs	3,529,906	3,745,785	6%
Housing Programs Total	3,529,906	3,745,785	6%
TOTAL EXPENDITURES	4,475,853	4,437,756	-1%
REVENUES			
Restricted			
Other HUD	2,280,544	2,407,081	6%
State	12,000	108,750	806%
Restricted Local	183,994	336,237	83%
Restricted Total	2,476,538	2,852,068	15%
Unrestricted			
Local	1,999,315	1,585,688	-21%
Unrestricted Total	1,999,315	1,585,688	-21%
TOTAL REVENUES	4,475,853	4,437,756	-1%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING SERVICES
ACTIVITY:	PROPERTY MANAGEMENT
SUBACTIVITY:	Major Renovations

Summary of Major Changes:

Salaries & Benefits: The increase of \$38,717 is primarily due to provisions for salary, benefit and employee pay plan increases in FY04. In addition, there is an increase for the transfer of 0.10 of a variety of positions from Routine Maintenance to better reflect actual costs.

Services & Supplies: The decrease of \$292,693 is primarily due to the \$293,884 decrease in one-time legal and contract/consultants for construction defect issues completed in FY03. In addition, there are decreases of \$12,814 in telephone and photocopy costs that were transferred to Information Systems for centralized control; and \$1,385 in office supplies, marketing and office equipment. These decreases were partially offset by an increase of \$15,390 for the reallocation of office rent.

Housing Programs: The increase of \$215,879 is due to the increase of \$220,052 in extraordinary maintenance, primarily resulting from plans to provide lighting, parking lot overlay and landscaping at the Maya Apartments, and kitchens, baths and a playground at University Canyon. In addition, there is an increase of \$35,302 for dwelling equipment for the Conventional and State units. These increases are partially offset by a decrease of \$39,475 in temporary relocation of tenants in occupancy during the completion of specific Capital Fund work improvements in Major Renovations. These improvements are planned for the public housing sites in FY04 and will require less relocation than in the previous year.

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING SERVICES																					
ACTIVITY: RESIDENT SERVICES																					
SUBACTIVITY: Resident Services																					
Purpose and Description of the Activity:	Coordination of programs, services and strategic partnerships that assist San Diego Housing Commission participants to reach their goals for education, training, employment, economic self-sufficiency and personal independence. Activities include youth and adult education; literacy; career development; computer training and instruction; gang and drug prevention; leadership development; information and referral; other supportive services for families, seniors and persons with disabilities.																				
Objectives:	<div>1. Coordinate programs, partnerships and supportive services that assist San Diego Housing Commission participants to achieve economic self-sufficiency, educational advancement and personal independence through the administration of Learning Opportunity Centers, the Family Self-Sufficiency Program, and other programs and partnerships.</div> <div>2. Aggressively seek new and continued funding sources to maintain existing programs and partnerships and to improve the availability, accessibility and quality of supportive services for San Diego Housing Commission participants.</div>																				
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>3,298,935</td><td>\$ 2,176,452</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>496,803</td><td>\$ 187,974</td></tr><tr><td>Positions</td><td></td><td>15.00</td><td>15.00</td></tr></table>			FY03	FY04			Current	Proposed	Budget	\$	3,298,935	\$ 2,176,452	Continuing Appropriations	\$	496,803	\$ 187,974	Positions		15.00	15.00
		FY03	FY04																		
		Current	Proposed																		
Budget	\$	3,298,935	\$ 2,176,452																		
Continuing Appropriations	\$	496,803	\$ 187,974																		
Positions		15.00	15.00																		

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING SERVICES****RESIDENT SERVICES****Resident Services**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	944,140	1,007,188	7%
Services & Supplies	507,424	348,966	-31%
Housing Programs			
Other Housing Programs	1,847,371	820,298	-56%
Housing Programs Total	1,847,371	820,298	-56%
TOTAL EXPENDITURES	3,298,935	2,176,452	-34%
REVENUES			
Restricted			
Section 8	209,839	325,441	55%
Other HUD	2,744,628	1,728,085	-37%
Restricted Local	90,080	61,626	-32%
Restricted Total	3,044,547	2,115,152	-31%
Unrestricted			
Local	254,388	61,300	-76%
Unrestricted Total	254,388	61,300	-76%
TOTAL REVENUES	3,298,935	2,176,452	-34%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING SERVICES
ACTIVITY:	RESIDENT SERVICES
SUBACTIVITY:	Resident Services

Summary of Major Changes:

Salaries & Benefits: The increase of \$63,048 is due to provisions for salary, benefit and employee pay plan increases in FY04.

Services & Supplies: The decrease of \$158,458 is primarily due to the decrease of \$104,341 in contract/consultants for temporary employees and direct hire contractors on various Resident Services programs, including Family Self-Sufficiency and Welfare to Work. In addition, there are decreases of \$31,729 in telephone and photocopy costs that were transferred to Information Systems for centralized control; \$9,780 in sundry, primarily for mileage and business expenses based on actual experience; \$8,180 in travel and training due to the completion of one-time training in FY03; \$2,900 in legal; and \$1,528 in office equipment, resulting from the one-time purchase in FY03 of computer equipment and software for the learning opportunities centers.

Housing Programs: The decrease of \$1,027,073 is due to the decrease in Resident Services recreation and contract expenses resulting from the obligation and/or expenditure of significant amounts of funding in FY03 for the ROSS, Capital Fund, Drug Elimination and Move to Work programs. It is expected that additional new awards to replenish this decrease will occur during FY04. Specific applications for funds will be provided at future Housing Commission meetings for approval as HUD and other agencies notify staff concerning the availability of resources.

Activity Based Budget Detail

HOUSING FINANCE & DEVELOPMENT

ACTIVITY GROUP

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE & DEVELOPMENT																					
ACTIVITY: RENTAL HOUSING PRODUCTION																					
SUBACTIVITY: Rental Housing Production																					
Purpose and Description of the Activity:	Provide financing to nonprofit and for-profit entities for production or preservation of affordable rental housing, including special purpose housing, through issuance of bonds, loans, grants, contribution of land, land-use regulations and technical assistance. Also recommend policies to increase the development of affordable rental housing.																				
Objectives:	<div>1. Create or preserve 312 rental units through financing (new construction, acquisition, acquisition with rehabilitation), affordable at/below 60% area median income.</div> <div>2. Provide technical assistance to nonprofits in the form of project development assistance and provide workshops for developers regarding rental housing development issues. (Strategy #6)</div> <div>3. Provide project management support for 800 units in development.</div> <div>4. Actively pursue development of mixed income housing, owned and operated by the San Diego Housing Commission. (Strategy #2)</div> <div>5. In collaboration with the City, School District and Redevelopment Agency, continue the planning, financing, and construction of a development that would combine a new elementary school with multifamily housing, to replace housing units that will be removed due to the construction of a school.</div>																				
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>10,671,268</td><td>\$ 9,361,537</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>11,819,918</td><td>\$ 5,270,151</td></tr><tr><td>Positions</td><td></td><td>11.50</td><td>12.15</td></tr></table>			FY03	FY04			Current	Proposed	Budget	\$	10,671,268	\$ 9,361,537	Continuing Appropriations	\$	11,819,918	\$ 5,270,151	Positions		11.50	12.15
		FY03	FY04																		
		Current	Proposed																		
Budget	\$	10,671,268	\$ 9,361,537																		
Continuing Appropriations	\$	11,819,918	\$ 5,270,151																		
Positions		11.50	12.15																		

FY04 BUDGET**San Diego Housing Commission**

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING FINANCE & DEVELOPMENT****RENTAL HOUSING PRODUCTION****Rental Housing Production**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	998,637	1,094,580	10%
Services & Supplies	301,838	313,955	4%
Housing Programs			
Loans & Grants	8,529,694	5,935,046	-30%
Site Acquisition	838,949	2,015,806	140%
Other Housing Programs	2,150	2,150	0%
Housing Programs Total	9,370,793	7,953,002	-15%
TOTAL EXPENDITURES	10,671,268	9,361,537	-12%
REVENUES			
Restricted			
Other HUD	840,506	17,173	-98%
CDBG	497,172	506,112	2%
Restricted Local	0	419	0%
Restricted Total	1,337,678	523,704	-61%
Unrestricted			
Local	1,098,340	826,548	-25%
Housing Trust Fund	999,536	319,277	-68%
HOME	7,235,714	7,692,008	6%
Unrestricted Total	9,333,590	8,837,833	-5%
TOTAL REVENUES	10,671,268	9,361,537	-12%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING FINANCE & DEVELOPMENT
ACTIVITY:	RENTAL HOUSING PRODUCTION
SUBACTIVITY:	Rental Housing Production

Summary of Major Changes:

- Salaries & Benefits: The increase of \$95,943 is primarily due to the provision for salary, benefit and employee pay plan increases in FY04. In addition, there was a net increase of 0.65 positions due to the reallocation of a number of positions from several activities in order to better reflect actual costs. Also, there is a position upgrade of a Senior Program Analyst to a Financial Specialist position.
- Services & Supplies: The increase of \$12,117 is due to the increase in contract/consultants of \$21,300, primarily for the Model Schools program. In addition, there is an increase of \$4,194 for the reallocation of office rent. These increases are partially offset by a decrease of \$12,016 in telephone and photocopy costs that were transferred to Information Systems for centralized control; and a decrease of \$1,361 in sundry, primarily in office supplies based on actual experience.
- Housing Programs: The decrease of \$1,417,791 is primarily due to an expected decrease in site acquisition of \$823,143 with the obligation of funds for the construction of the Boston project in FY03. Also, there is a decrease of \$594,648 in loans and grants, primarily resulting from the obligation and/or expenditure of most Housing Trust, HOME and Local funds on various projects, resulting in less carryover from FY03 than occurred in FY02.

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE & DEVELOPMENT																					
ACTIVITY: HOMEOWNERSHIP																					
SUBACTIVITY: Homeownership																					
Purpose and Description of the Activity:	Provide financial and technical assistance to first-time homebuyers and to private entities operating homeownership programs and to existing homeowners related to rehab activities. Also provide housing programs and/or incentives to developers of affordable homeownership opportunities.																				
Objectives:	<div>1. Administer first-time homebuyer programs, including down payment/closing cost assistance grants, shared equity loans, CAL HOME Mortgage Assistance loans, CCDC Downtown Homebuyer loans, with particular emphasis on those within 60% of area median income.</div> <div>2. Underwrite, process, and fund all First-Time Homebuyer program loans and grants in accordance with San Diego Housing Commission policies, guidelines, and regulations.</div> <div>3. Market and expand the Employer Assisted Housing program.</div>																				
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>3,777,364</td><td>\$ 2,416,842</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>1,864,638</td><td>\$ 817,172</td></tr><tr><td>Positions</td><td></td><td>4.50</td><td>2.30</td></tr></table>			FY03	FY04			Current	Proposed	Budget	\$	3,777,364	\$ 2,416,842	Continuing Appropriations	\$	1,864,638	\$ 817,172	Positions		4.50	2.30
		FY03	FY04																		
		Current	Proposed																		
Budget	\$	3,777,364	\$ 2,416,842																		
Continuing Appropriations	\$	1,864,638	\$ 817,172																		
Positions		4.50	2.30																		

FY04 BUDGET**San Diego Housing Commission**

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING FINANCE & DEVELOPMENT****HOMEOWNERSHIP****Homeownership**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	300,904	166,991	-45%
Services & Supplies	101,208	91,136	-10%
Housing Programs			
Loans & Grants	3,375,252	2,158,715	-36%
Housing Programs Total	3,375,252	2,158,715	-36%
TOTAL EXPENDITURES	3,777,364	2,416,842	-36%
REVENUES			
Restricted			
State	4,200	1,523	-64%
CDBG	30,000	30,000	0%
Restricted Local	1,023,908	786,203	-23%
Restricted Total	1,058,108	817,726	-23%
Unrestricted			
Local	146,542	70,013	-52%
Housing Trust Fund	211,073	109,216	-48%
HOME	2,361,641	1,419,887	-40%
Unrestricted Total	2,719,256	1,599,116	-41%
TOTAL REVENUES	3,777,364	2,416,842	-36%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING FINANCE & DEVELOPMENT
ACTIVITY:	HOMEOWNERSHIP
SUBACTIVITY:	Homeownership

Summary of Major Changes:

Salaries & Benefits: The decrease of \$133,913 is primarily due to the transfer of 2.20 Homeownership positions to a number of other activities to better reflect actual costs. These decreases were partially offset by a provision for salary, benefit and employee pay plan increases in FY04.

Services & Supplies: The decrease of \$10,072 is primarily due to decreases of \$8,651 in telephone and photocopy costs that were transferred to Information Systems for centralized control; \$1,118 for reallocation of office rent; and \$553 in office supplies based on actual experience. These decreases were partially offset by an increase of \$250 in contract/consultants.

Housing Programs: The decrease of \$1,216,537 is primarily due to the reduction of \$1,000,000 that the Board, at its February 2003 meeting, directed to be transferred to Rental Housing Production and Rehabilitation Owner Occupied. Also, there is a decrease of \$216,537 in loans and grants, primarily resulting from the obligation and/or expenditure of most CAL HOME, CCDC and Housing Trust funds on various projects, resulting in less carryover from FY03 than occurred in FY02.

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE & DEVELOPMENT																															
ACTIVITY: REHABILITATION																															
SUBACTIVITY: Rental Housing																															
Purpose and Description of the Activity:	The provision of technical and financial assistance for the rehabilitation of privately owned housing occupied by low-income renters.																														
Objectives:	<div>1. Provide lead-based paint reduction grants for 28 rental housing units. (Strategy #6)</div> <div>2. Provide 5 Accessibility Modification grants to tenants with disabilities.</div> <div>3. Provide technical assistance (work write-ups, cost estimates and construction monitoring) to support rehabilitation of renter occupied units. (Strategy #6)</div> <div>4. Explore development of a program to acquire and rehabilitate single-family residences for resale to low- and moderate-income first-time homebuyers, for possible implementation in FY05. (Strategy #13)</div>																														
Resource Allocation:	<table><tr><td></td><td></td><td></td><td>FY03</td><td></td><td>FY04</td></tr><tr><td></td><td></td><td></td><td>Current</td><td></td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>221,993</td><td></td><td>\$</td><td>1,034,894</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>112,078</td><td></td><td>\$</td><td>0</td></tr><tr><td>Positions</td><td></td><td>0.25</td><td></td><td></td><td>1.10</td></tr></table>				FY03		FY04				Current		Proposed	Budget	\$	221,993		\$	1,034,894	Continuing Appropriations	\$	112,078		\$	0	Positions		0.25			1.10
			FY03		FY04																										
			Current		Proposed																										
Budget	\$	221,993		\$	1,034,894																										
Continuing Appropriations	\$	112,078		\$	0																										
Positions		0.25			1.10																										

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

HOUSING FINANCE & DEVELOPMENT

REHABILITATION

Rental Housing

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	20,674	93,154	351%
Services & Supplies	7,174	95,231	1227%
Housing Programs			
Loans & Grants	194,145	814,631	320%
Other Housing Programs	0	31,878	0%
Housing Programs Total	194,145	846,509	336%
TOTAL EXPENDITURES	221,993	1,034,894	366%
REVENUES			
Restricted			
Other HUD	0	900,494	0%
Restricted Total	0	900,494	0%
Unrestricted			
Local	27,848	0	-100%
HOME	194,145	134,400	-31%
Unrestricted Total	221,993	134,400	-39%
TOTAL REVENUES	221,993	1,034,894	366%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING FINANCE & DEVELOPMENT
ACTIVITY:	REHABILITATION
SUBACTIVITY:	Rental Housing

Summary of Major Changes:

Salaries & Benefits: The increase of \$72,480 is primarily due to the transfer of 0.85 positions from a number of other activities to better reflect actual costs of the HUD Lead Hazard Control program in FY04. Also, there are provisions for salary, benefit and employee pay plan increases in FY04.

Services & Supplies: The increase of \$88,057 is primarily due to the increase of \$87,620 in contract/consultants to provide for two (2) direct hires to assist with the HUD Lead Hazard Control program in FY04. Also, there is an increase of \$1,037 for reallocation of office rent. These increases were partially offset by decreases of \$569 in telephone and photocopy costs that were transferred to Information Systems for centralized control; and a modest decrease of \$31 in office supplies.

Housing Programs: The increase of \$652,364 is primarily due to the transfer from Rehabilitation Owner Occupied of \$746,509 in loans and grants and relocation for the HUD Lead Hazard Control program in FY04. This increase was partially offset by a decrease of \$94,145 in loans and grants, primarily resulting from the obligation and/or expenditure of HOME funds on various projects, resulting in less carryover from FY03 than occurred in FY02.

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE & DEVELOPMENT																															
ACTIVITY: REHABILITATION																															
SUBACTIVITY: Owner Occupied																															
Purpose and Description of the Activity:	The provision of financial and technical assistance to low-income owners wishing to rehabilitate their owner-occupied housing and to nonprofit entities that assist such owners.																														
Objectives:	<div>1. Provide financial assistance in the rehabilitation of 250 owner-occupied residences consisting of:<ul style="list-style-type: none">Loans for 24 low-income single family homeowners;Deferred loans and grants to 117 very-low income single-family homeowners;Grants for 100 very-low-income mobile home owners;Lead-based paint reduction grants for 9 single-family owner-occupied homes.(Strategy #6, #13)</div> <div>2. Monitor CDBG-financed nonprofit rehabilitation for 700 residential units. (Strategy #6)</div>																														
Resource Allocation:	<table><tr><td></td><td></td><td></td><td>FY03</td><td></td><td>FY04</td></tr><tr><td></td><td></td><td></td><td>Current</td><td></td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>5,235,591</td><td></td><td>\$</td><td>3,878,914</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>1,126,889</td><td></td><td>\$</td><td>288,125</td></tr><tr><td>Positions</td><td></td><td>8.65</td><td></td><td></td><td>8.60</td></tr></table>				FY03		FY04				Current		Proposed	Budget	\$	5,235,591		\$	3,878,914	Continuing Appropriations	\$	1,126,889		\$	288,125	Positions		8.65			8.60
			FY03		FY04																										
			Current		Proposed																										
Budget	\$	5,235,591		\$	3,878,914																										
Continuing Appropriations	\$	1,126,889		\$	288,125																										
Positions		8.65			8.60																										

FY04 BUDGET**San Diego Housing Commission**

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING FINANCE & DEVELOPMENT****REHABILITATION****Owner Occupied**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	678,967	706,027	4%
Services & Supplies	160,304	151,433	-6%
Housing Programs			
Loans & Grants	4,396,320	3,011,932	-31%
Other Housing Programs	0	9,522	0%
Housing Programs Total	4,396,320	3,021,454	-31%
TOTAL EXPENDITURES	5,235,591	3,878,914	-26%
REVENUES			
Restricted			
Other HUD	1,067,579	273,804	-74%
State	12,500	0	-100%
CDBG	1,054,586	968,036	-8%
Restricted Local	1,241,939	495,359	-60%
Restricted Total	3,376,604	1,737,199	-49%
Unrestricted			
Rental Rehabilitation	144,852	0	-100%
Local	16,364	210,207	1185%
Housing Trust Fund	605,159	294,104	-51%
HOME	1,092,612	1,637,404	50%
Unrestricted Total	1,858,987	2,141,715	15%
TOTAL REVENUES	5,235,591	3,878,914	-26%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING FINANCE & DEVELOPMENT
ACTIVITY:	REHABILITATION
SUBACTIVITY:	Owner Occupied

Summary of Major Changes:

Salaries & Benefits: The increase of \$27,060 is primarily due to the provision for salary, benefit and employee pay plan increases in FY03. This increase was partially offset by the transfer of 0.05 of a variety of positions to other activities to better reflect actual costs.

Services & Supplies: The decrease of \$8,871 is primarily due to a decrease of \$23,388 of contract/consultants for lead-based paint consulting. In addition, there are decreases of \$8,874 in telephone and photocopy costs that were transferred to Information Systems for centralized control; and \$943 for liability insurance for the HUD Lead Hazard Control program. These decreases are partially offset by increases of \$20,234 for reallocation of office rent; and \$4,100 for specialized lead-based paint training; postage and mileage.

Housing Programs: The decrease of \$1,374,866 is primarily due to the decrease of \$1,231,557 due to the obligation and/or expenditure of most CAL HOME, Housing Trust, Redevelopment and Rental Rehabilitation funds on various projects that will lead to less carryover from FY03 than occurred in FY02. In addition, there is a transfer to Rehabilitation Rental Housing of \$746,509 in loans and grants and relocation for the HUD Lead Hazard Control program in FY04. This decrease is partially offset by increases of \$500,000 of HOME funds that the Board, at its February 2003 meeting, directed to be transferred to Rental Housing Production and Rehabilitation Owner Occupied; and \$103,200 of additional CDBG projects to be monitored by staff.

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE & DEVELOPMENT			
ACTIVITY: PORTFOLIO SERVICING & OCCUPANCY MONITORING			
SUBACTIVITY: Portfolio Servicing & Occupancy Monitoring			
Purpose and Description of the Activity:	Servicing of the San Diego Housing Commission's \$82.1 million loan portfolio and \$515 million bond portfolio, and contract monitoring for compliance with loan terms and conditions.		
Objectives:	<ol style="list-style-type: none"> 1. Provide servicing for the loans in the San Diego Housing Commission's portfolio to ensure that all loans are in compliance with the loan terms and conditions. 2. Market the servicing function to nonprofits. 3. Provide possibility of contract monitoring services for subsidized developments on behalf of HUD. (Strategy #4) 4. Develop and enhance electronic database to provide better external and internal customer service. (Strategy #12) 5. Consider outsourcing appropriate portions of Occupancy Monitoring Program. (Strategy #7) 		
Resource Allocation:			FY03
			Current
			FY04
			Proposed
	Budget	\$ 2,582,302	\$ 2,903,731
	Continuing Appropriations	\$ 0	\$ 0
	Positions	7.50	8.05

FY04 BUDGET**San Diego Housing Commission**

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING FINANCE & DEVELOPMENT****PORTFOLIO SERVICING & OCCUPANCY MONITORING****Portfolio Servicing & Occupancy Monitoring**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	488,045	523,276	7%
Services & Supplies	450,265	722,987	61%
Housing Programs			
Site Acquisition	1,622,952	1,636,428	1%
Other Housing Programs	21,040	21,040	0%
Housing Programs Total	1,643,992	1,657,468	1%
TOTAL EXPENDITURES	2,582,302	2,903,731	12%
REVENUES			
Restricted			
CDBG	1,395,518	1,337,891	-4%
Restricted Local	179,320	450,086	151%
Restricted Total	1,574,838	1,787,977	14%
Unrestricted			
Local	962,517	954,746	-1%
Housing Trust Fund	44,947	45,000	0%
HOME	0	116,008	0%
Unrestricted Total	1,007,464	1,115,754	11%
TOTAL REVENUES	2,582,302	2,903,731	12%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING FINANCE & DEVELOPMENT
ACTIVITY:	PORTFOLIO SERVICING & OCCUPANCY MONITORING
SUBACTIVITY:	Portfolio Servicing & Occupancy Monitoring

Summary of Major Changes:

Salaries & Benefits: The increase of \$35,231 is primarily due to the transfer of 0.55 of a variety of positions from other activities to better reflect actual costs. Also, there is a provision for salary, benefit and employee pay plan increases in FY04.

Services & Supplies: The increase of \$272,722 is primarily due to the increase of \$261,440 for the Reinvestment Task Force's Capital Collaborative. In addition, there are increases of \$16,720 for the reallocation of office rent; \$2,000 for legal; and \$1,840 for travel and training for changes in occupancy monitoring requirements. These increases are partially offset by decreases of \$5,869 in telephone and photocopy costs that were transferred to Information Systems for centralized control; \$1,823 in sundry, primarily for office supplies based on actual experience; \$1,547 in contract/consultants for temporary employees and relocation assistance; and a modest decrease of \$39 in office equipment.

Housing Programs: The increase of \$13,476 is due to most of the site acquisition funds that will carryover as a result of not using available foreclosure funds to acquire property. This was due to a strong portfolio with loans current, and enabled interest earnings to be earned on this fund and these earnings enhanced the size of the foreclosure fund.

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: HOUSING FINANCE & DEVELOPMENT																					
ACTIVITY: SPECIAL PURPOSE HOUSING																					
SUBACTIVITY: Special Purpose Housing																					
Purpose and Description of the Activity:	Provide transitional and permanent supportive housing for individuals and families in the City of San Diego with special needs, identified as specific disabilities, e.g., mental illness, HIV AIDS, chronic substance abuse and victims of domestic violence.																				
Objectives:	<div>1. Fund the development of at least one 20-bed special purpose housing facility.</div> <div>2. Provide a portion of the funding for at least 200 beds in transitional housing programs throughout the city.</div>																				
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>2,732,148</td><td>\$ 2,757,753</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>5,216,204</td><td>\$ 3,173,607</td></tr><tr><td>Positions</td><td></td><td>1.75</td><td>1.95</td></tr></table>			FY03	FY04			Current	Proposed	Budget	\$	2,732,148	\$ 2,757,753	Continuing Appropriations	\$	5,216,204	\$ 3,173,607	Positions		1.75	1.95
		FY03	FY04																		
		Current	Proposed																		
Budget	\$	2,732,148	\$ 2,757,753																		
Continuing Appropriations	\$	5,216,204	\$ 3,173,607																		
Positions		1.75	1.95																		

FY04 BUDGET**San Diego Housing Commission**

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****HOUSING FINANCE & DEVELOPMENT****SPECIAL PURPOSE HOUSING****Special Purpose Housing**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	135,471	158,828	17%
Services & Supplies	134,218	159,857	19%
Housing Programs			
Rent to Owners	0	595,608	0%
Loans & Grants	2,462,459	1,843,460	-25%
Housing Programs Total	2,462,459	2,439,068	-1%
TOTAL EXPENDITURES	2,732,148	2,757,753	1%
REVENUES			
Restricted			
Section 8	0	30,000	0%
Other HUD	50,067	656,160	1211%
CDBG	282,594	240,000	-15%
Restricted Local	169,093	1,054	-99%
Restricted Total	501,754	927,214	85%
Unrestricted			
Rental Rehabilitation	460,907	364,784	-21%
Local	853,856	473,663	-45%
Housing Trust Fund	915,631	992,092	8%
Unrestricted Total	2,230,394	1,830,539	-18%
TOTAL REVENUES	2,732,148	2,757,753	1%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	HOUSING FINANCE & DEVELOPMENT
ACTIVITY:	SPECIAL PURPOSE HOUSING
SUBACTIVITY:	Special Purpose Housing

Summary of Major Changes:

Salaries & Benefits: The increase of \$23,357 is primarily due to provisions for salary, benefit and employee pay plan increases in FY04. Also, there is an increase due to the transfer of 0.20 of a variety of positions from other activities to better reflect actual costs.

Services & Supplies: The increase of \$25,639 is primarily due to the increase of \$30,000 in contract/consultants to provide for mobility counseling and relocation assistance. In addition, there is an increase of \$809 for the reallocation of office rent. These increases are partially offset by decreases of \$2,000 in travel and training due to the completion of one-time training in FY03; \$1,497 in telephone and photocopy costs that were transferred to Information Systems for centralized control; \$753 in sundry for office supplies and business expenses based on actual experience; \$720 in office equipment due to one-time purchases in FY03; and \$200 in legal.

Housing Programs: The decrease of \$23,391 is primarily due to the anticipated obligation of \$400,000 in one-time Local funds from NCFUA and Coastal in-lieu fees in FY03. Also, the HOPWA program of \$85,000 and the City Women's Shelter of \$84,093 are expected to be completed in FY03. Finally, new funding of \$79,400 for the ECS Work program will cease in FY04. These decreases have been partially offset by increases of \$610,003 for rent to owners and loans and grants for an extension of the Shelter Plus Care program. In addition, there is an increase of \$14,045 of Housing Trust Funds that have been provided to this activity, and interest earnings on CCDC funds will provide an additional \$1,054.

Activity Based Budget Detail

OPERATIONS

ACTIVITY GROUP

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS																										
ACTIVITY: BOARD & EXECUTIVE FUNCTIONS																										
SUBACTIVITY: Board & Executive Functions																										
Purpose and Description of the Activity:	Responsible for providing effective policy direction to the agency, developing efficient programs and practices, assuring implementation in a manner that carries out the mission, vision and goals of the agency, and performing periodic evaluation of program effectiveness and efficacy. Provides direct support to the Board of Commissioners. Chief Executive Officer, Chief Operating Officer, immediate support staff, docket support and policy development staff are included.																									
Objectives:	<div>1. Continue to develop community support for affordable housing by taking a leadership role in these efforts with the business, civil and public sectors of San Diego. (Strategy #15)</div> <div>2. Provide support for the Affordable Housing Task Force (AHTF) and implement approved recommendations from the AHTF.</div> <div>3. Implement the Inclusionary Housing Ordinance.</div> <div>4. Develop revised SRO preservation ordinance and work with owners to design an incentives package to encourage SRO development.</div> <div>5. Track pertinent legislation at both the State and Federal levels. Analyze and make recommendations to the City for positions on legislation that could effect housing conditions.</div>																									
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td></td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td></td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>1,012,874</td><td>\$</td><td>1,020,049</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>22,973</td><td>\$</td><td>0</td></tr><tr><td>Positions</td><td></td><td>6.95</td><td></td><td>6.95</td></tr></table>			FY03		FY04			Current		Proposed	Budget	\$	1,012,874	\$	1,020,049	Continuing Appropriations	\$	22,973	\$	0	Positions		6.95		6.95
		FY03		FY04																						
		Current		Proposed																						
Budget	\$	1,012,874	\$	1,020,049																						
Continuing Appropriations	\$	22,973	\$	0																						
Positions		6.95		6.95																						

FY04 BUDGET**San Diego Housing Commission**

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****OPERATIONS****BOARD & EXECUTIVE FUNCTIONS****Board & Executive Functions**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	660,011	714,497	8%
Services & Supplies	352,863	305,552	-13%
TOTAL EXPENDITURES	1,012,874	1,020,049	1%
REVENUES			
Restricted			
Section 8	331,581	356,563	8%
Other HUD	271,240	303,101	12%
State	12,709	14,133	11%
CDBG	120,240	113,951	-5%
Restricted Local	43,483	29,824	-31%
Restricted Total	779,253	817,572	5%
Unrestricted			
Rental Rehabilitation	10,287	0	-100%
Local	125,217	92,159	-26%
Housing Trust Fund	26,470	16,644	-37%
HOME	71,647	93,674	31%
Unrestricted Total	233,621	202,477	-13%
TOTAL REVENUES	1,012,874	1,020,049	1%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	OPERATIONS
ACTIVITY:	BOARD & EXECUTIVE FUNCTIONS
SUBACTIVITY:	Board & Executive Functions

Summary of Major Changes:

Salaries & Benefits: The increase of \$54,486 is primarily due to provisions for salary, benefit and employee pay plan increases in FY04. Also, there are two (2) proposed upgrades of positions. These include a reclassification of a Senior Program Analyst to Assistant Program Manager for Policy and Planning and a reclassification of a Docket Coordinator to a Program Analyst.

Services & Supplies: The decrease of \$47,311 is primarily due to the \$80,400 reduction in consulting for resource and revenue studies, S&P evaluation, and grant writing. Also, telephone and photocopy costs of \$14,546 were transferred to Information Systems for centralized control. In addition, there are decreases of \$3,850 in Commissioner's stipends due to actual usage; and \$356 in errors and omissions insurance based on estimate of provider. These decreases were partially offset by increases of \$48,520 for a direct hire consultant to assist with Policy and Planning; \$2,024 in sundry primarily due to the transfer of memberships to this activity for centralized control; \$843 for the reallocation of office rent; and \$454 in equipment primarily for a work station for the direct hire consultant.

Housing Programs: N/A

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS																										
ACTIVITY: SUPPORT SERVICES																										
SUBACTIVITY: Human Resources																										
Purpose and Description of the Activity:	Provide a human resources system for the selection, staffing, and appropriate classification and compensation of personnel to support San Diego Housing Commission resource needs to include recruitment, hiring, classification and pay administration, personnel policy development and implementation, performance management, employee and labor relations. Provide group benefits and pension administration and deferred compensation programs, workers compensation, wellness programs, volunteer program and temporary employment staffing services.																									
Objectives:	<div>1. Provide human resources services, in compliance with applicable laws and regulations and consistent with best business practices, to facilitate successful pursuit of the organization’s vision, mission and goals. (Strategy #7)</div> <div>2. Re-engineer Human Resources processes through a fully integrated HRIS/Payroll system by December 2003. (Strategy #9)</div> <div>3. Conduct an analysis of turnover throughout the agency to strategically manage resources. (Strategy #9, #11)</div> <div>4. Procure the solicitation of an agency-wide classification and compensation study to ensure staff is appropriately compensated and rewarded for work performed by May 2004. (Strategy #9, #11)</div>																									
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td></td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td></td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>675,601</td><td>\$</td><td>540,470</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>88,792</td><td>\$</td><td>11,277</td></tr><tr><td>Positions</td><td></td><td>6.00</td><td></td><td>4.00</td></tr></table>			FY03		FY04			Current		Proposed	Budget	\$	675,601	\$	540,470	Continuing Appropriations	\$	88,792	\$	11,277	Positions		6.00		4.00
		FY03		FY04																						
		Current		Proposed																						
Budget	\$	675,601	\$	540,470																						
Continuing Appropriations	\$	88,792	\$	11,277																						
Positions		6.00		4.00																						

FY04 BUDGET**San Diego Housing Commission**

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****OPERATIONS****SUPPORT SERVICES****Human Resources**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	436,890	349,095	-20%
Services & Supplies	238,711	191,375	-20%
TOTAL EXPENDITURES	675,601	540,470	-20%
REVENUES			
Restricted			
Section 8	340,810	276,472	-19%
Other HUD	182,313	169,594	-7%
State	10,405	8,367	-20%
CDBG	28,889	20,341	-30%
Restricted Local	23,175	16,005	-31%
Restricted Total	585,592	490,779	-16%
Unrestricted			
Rental Rehabilitation	2,471	0	-100%
Local	63,964	29,996	-53%
Housing Trust Fund	6,361	2,973	-53%
HOME	17,213	16,722	-3%
Unrestricted Total	90,009	49,691	-45%
TOTAL REVENUES	675,601	540,470	-20%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	OPERATIONS
ACTIVITY:	SUPPORT SERVICES
SUBACTIVITY:	Human Resources

Summary of Major Changes:

Salaries & Benefits: The decrease of \$87,795 is primarily due to the deletion of two (2) positions including a Senior Human Resources Technician and a Senior Administrative Assistant. This decrease was partially offset by provisions for salary, benefits and employee pay plan increases in FY04.

Services & Supplies: The decrease of \$47,336 is primarily due to the decrease of \$24,467 in consulting for salary survey, applicant expenses, pension services, applicant testing and temporary employees. Also, telephone and photocopy costs of \$7,407 were transferred to Information Systems for centralized control. In addition, there is a decrease of \$6,707 for the reallocation of office rent; \$5,914 in sundry, travel and training due to the decrease in staff; \$2,308 due to one-time purchases of office equipment in FY03; and \$533 in public officials employment practices insurance.

Housing Programs: N/A

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS			
ACTIVITY: SUPPORT SERVICES			
SUBACTIVITY: Information Systems			
Purpose and Description of the Activity:	Provide information technology and telecommunication services to internal and external customers. Services include systems planning, acquisition of information technology, legacy application maintenance, developing and maintaining security policies and systems, database management, network and user support, and computer training.		
Objectives:	<ol style="list-style-type: none"> 1. Participate in efficiency study to assess current Information Systems operations and to develop a proactive, systems approach that will enable the San Diego Housing Commission to become more efficient and effective through technological solutions. (Strategy #9) 2. Develop employee technical skills to enhance performance and customer service capabilities. (Strategy #12) 		
Resource Allocation:			FY03
			Current
			FY04
			Proposed
	Budget	\$ 1,353,571	\$ 1,541,445
	Continuing Appropriations	\$ 303,220	\$ 205,625
	Positions	8.00	8.00

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

OPERATIONS

SUPPORT SERVICES

Information Systems

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	575,402	613,218	7%
Services & Supplies	778,169	928,227	19%
TOTAL EXPENDITURES	1,353,571	1,541,445	14%
REVENUES			
Restricted			
Section 8	713,670	758,304	6%
Other HUD	351,936	502,880	43%
State	19,481	26,094	34%
CDBG	55,209	62,851	14%
Restricted Local	45,151	51,499	14%
Restricted Total	1,185,447	1,401,628	18%
Unrestricted			
Rental Rehabilitation	4,724	0	-100%
Local	118,349	78,970	-33%
Housing Trust Fund	12,155	9,179	-24%
HOME	32,896	51,668	57%
Unrestricted Total	168,124	139,817	-17%
TOTAL REVENUES	1,353,571	1,541,445	14%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	OPERATIONS
ACTIVITY:	SUPPORT SERVICES
SUBACTIVITY:	Information Systems

Summary of Major Changes:

Salaries & Benefits: The increase of \$37,816 is due to provisions for salary, benefit and employee pay plan increases in FY04.

Services & Supplies: The increase of \$150,058 is primarily due to an increase of \$314,308 of telephone and photocopy costs that were transferred from all activities to Information Systems for centralized control. In addition, there is an increase of \$972 for the reallocation of office rent and \$414 in agency computer insurance. These increases were partially offset by a decrease of \$60,663 in contract/consultants primarily in temporary employees; \$56,438 in software support and office supplies; and \$48,535 in computer equipment due to one-time purchases in FY03.

Housing Programs: N/A

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS																					
ACTIVITY: SUPPORT SERVICES																					
SUBACTIVITY: Financial Services																					
Purpose and Description of the Activity:	Provide financial services to stakeholders of the San Diego Housing Commission. Includes accounting services such as payroll, accounts payable, accounts receivable, revenue and expense analysis, budget development, monitoring, enforcement and financial reporting, audit, cash management and investment, financial systems and internal control. Also provide procurement services including specification development, bid management, contract monitoring, inventory control, disposition management, copy room maintenance and postal services management.																				
Objectives:	<div>1. Provide timely, accurate and relevant information, reporting tools and services to San Diego Housing Commission program areas to assist in the successful administration of agency programs and overall mission.</div> <div>2. Assist our clients in the development of an annual activity based budget, which includes internal budget planning strategies designed to meet organizational goals and objectives.</div> <div>3. Develop an Internal Audit function to analyze processing and internal control systems to ensure optimal effectiveness with minimal expense. (Strategy #10)</div> <div>4. Procure an efficiency study of the Operation Departments of the San Diego Housing Commission seeking clear definition of required core functions, staffing needs, workload changes and possible outsourcing opportunities. (Strategy #7, #9)</div>																				
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>2,202,681</td><td>\$ 2,363,527</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>0</td><td>\$ 0</td></tr><tr><td>Positions</td><td></td><td>27.00</td><td>27.00</td></tr></table>			FY03	FY04			Current	Proposed	Budget	\$	2,202,681	\$ 2,363,527	Continuing Appropriations	\$	0	\$ 0	Positions		27.00	27.00
		FY03	FY04																		
		Current	Proposed																		
Budget	\$	2,202,681	\$ 2,363,527																		
Continuing Appropriations	\$	0	\$ 0																		
Positions		27.00	27.00																		

FY04 BUDGET**San Diego Housing Commission**

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****OPERATIONS****SUPPORT SERVICES****Financial Services**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	1,632,151	1,740,824	7%
Services & Supplies	570,530	622,703	9%
TOTAL EXPENDITURES	2,202,681	2,363,527	7%
REVENUES			
Restricted			
Section 8	768,209	772,683	1%
Other HUD	768,266	1,003,732	31%
State	43,331	54,235	25%
CDBG	143,539	139,546	-3%
Restricted Local	99,099	101,873	3%
Restricted Total	1,822,444	2,072,069	14%
Unrestricted			
Rental Rehabilitation	12,280	0	-100%
Local	250,832	156,361	-38%
Housing Trust Fund	31,596	20,383	-35%
HOME	85,529	114,714	34%
Unrestricted Total	380,237	291,458	-23%
TOTAL REVENUES	2,202,681	2,363,527	7%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	OPERATIONS
ACTIVITY:	SUPPORT SERVICES
SUBACTIVITY:	Financial Services

Summary of Major Changes:

Salaries & Benefits: The increase of \$108,673 is due to provisions for salary, benefit and employee pay plan increases in FY04.

Services & Supplies: The increase of \$52,173 is primarily due to the increase of \$100,000 in contract/consultants for an operations efficiency study. In addition, there is an increase of \$22,910 in agency postage to provide for rate increases and increased volume for the Voucher program due to a greater number of units under lease; \$3,272 for the reallocation of office rent; and a small increase of \$1,429 for fidelity bond insurance. These increases are partially offset by a reduction of \$59,612 in contract/consultants primarily due to the expected completion of financial consulting in FY03; \$15,769 in sundry primarily due to the transfer of telephone and photocopy costs to Information Systems for centralized control; and the remaining decrease of \$57 is in office equipment.

Housing Programs: N/A

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS			
ACTIVITY: SUPPORT SERVICES			
SUBACTIVITY: Facilities Management			
Purpose and Description of the Activity:	Maintain a safe, secure and healthy operational environment for staff, clients and visitors of the San Diego Housing Commission.		
Objectives:	<ol style="list-style-type: none"> 1. Maintain San Diego Housing Commission offices through the completion of routine, preventive and capital improvements projects. 2. Commence implementation of approved plan addressing San Diego Housing Commission future office needs. 		
Resource Allocation:			FY03
			Current
			FY04
			Proposed
	Budget	\$ 862,337	\$ 976,497
	Continuing Appropriations	\$ 143,345	\$ 0
	Positions	1.42	1.17

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

OPERATIONS

SUPPORT SERVICES

Facilities Management

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	115,697	94,983	-18%
Services & Supplies	746,640	881,514	18%
TOTAL EXPENDITURES	862,337	976,497	13%
REVENUES			
Unrestricted			
Local	862,337	976,497	13%
Unrestricted Total	862,337	976,497	13%
TOTAL REVENUES	862,337	976,497	13%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	OPERATIONS
ACTIVITY:	SUPPORT SERVICES
SUBACTIVITY:	Facilities Management

Summary of Major Changes:

Salaries & Benefits: The decrease of \$20,714 is primarily due to a net decrease of 0.25 of a Maintenance Technician position that was transferred to the Routine Maintenance activity in order to better reflect actual costs. This decrease is partially offset by a provision for salary, benefit and employee pay plan increases in FY04.

Services & Supplies: The increase of \$134,874 is primarily due to the increase of \$101,642 for extraordinary maintenance at the Newton facility to provide for painting, flooring, HVAC upgrade, parking lot seal, etc. In addition, there are increases of \$46,777 for utilities due to higher increases in FY03 than expected, and there is a provision for an increase in FY04; \$21,000 in legal for the new office facility; \$2,128 for property insurance due to higher rates expected in FY04; and \$1,394 for small increases in building rent, safety supplies and laundry. These increases are partially offset by decreases of \$28,500 in contract/consultants for the new office facility; \$8,462 in office equipment due to one-time purchases in FY03; \$697 in telephone and photocopy costs that were transferred to Information Systems for centralized control, and \$408 in maintenance contracts.

Housing Programs: N/A

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS			
ACTIVITY: SUPPORT SERVICES			
SUBACTIVITY: Organizational Development & Training			
Purpose and Description of the Activity:	Responsible for providing effective organizational development for the agency, developing and implementing programs and resources to provide management and staff with the tools necessary to carry out the vision, mission and goals of the agency, and performing periodic evaluation of program effectiveness and efficacy.		
Objectives:	<ol style="list-style-type: none"> 1. Strive to improve agency's corporate culture by implementing systems and/or policies that support employee morale and improve productivity and effectiveness of the San Diego Housing Commission. (Strategy #9) 2. Strengthen agency's performance through focused training, coaching and improved communications to maximize individual and departmental performance. (Strategy #9) 3. Administer agency's Equal Opportunity program, fully integrating into organizational development and effectiveness. (Strategy #9) 4. Develop strategy to create an agency succession plan and identify core competencies for San Diego Housing Commission Supervisors. (Strategy #11) 5. Work with Information Systems to achieve higher degree of organizational effectiveness through identification and implementation of technological solutions to accomplish San Diego Housing Commission objectives. 		
Resource Allocation:			FY03
			Current
			FY04
			Proposed
	Budget	\$ 384,737	\$ 369,258
	Continuing Appropriations	\$ 14,195	\$ 0
	Positions	3.05	3.05

FY04 BUDGET**San Diego Housing Commission**

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****OPERATIONS****SUPPORT SERVICES****Organizational Development & Training**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	219,887	229,881	5%
Services & Supplies	164,850	139,377	-15%
TOTAL EXPENDITURES	384,737	369,258	-4%
REVENUES			
Restricted			
Section 8	190,321	177,560	-7%
Other HUD	110,595	123,098	11%
State	6,958	7,031	1%
CDBG	15,581	14,160	-9%
Restricted Local	13,803	12,038	-13%
Restricted Total	337,258	333,887	-1%
Unrestricted			
Rental Rehabilitation	1,333	0	-100%
Local	33,436	21,663	-35%
Housing Trust Fund	3,426	2,068	-40%
HOME	9,284	11,640	25%
Unrestricted Total	47,479	35,371	-26%
TOTAL REVENUES	384,737	369,258	-4%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	OPERATIONS
ACTIVITY:	SUPPORT SERVICES
SUBACTIVITY:	Organizational Development & Training

Summary of Major Changes:

Salaries & Benefits: The increase of \$9,994 is due to provisions for salary, benefit and employee pay plan increases in FY04.

Services & Supplies: The decrease of \$25,473 is primarily due to a decrease of \$14,335 in contract/consultants for records management and temporary employees. In addition, there are decreases of \$9,935 in legal, office supplies, conference events and printing based on actual history; and \$3,910 in telephone and photocopy costs due to the transfer to Information Systems for centralized control. These decreases are partially offset by small increases of \$2,334 for travel and office equipment, and a \$373 increase for the reallocation of office rent.

Housing Programs: N/A

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP: OPERATIONS																					
ACTIVITY: COMMUNICATIONS & OPERATIONS DEVELOPMENT																					
SUBACTIVITY: Communications & Operations Development																					
Purpose and Description of the Activity:	<p>The department has two (2) main functions: (a) community relations, which helps open channels of communication between the San Diego Housing Commission and its internal and external publics – including clients, Commissioners, government officials, the media, the community at large, and agency staff; and (b) re-engineering agency processes so San Diego Housing Commission goals are accomplished at constantly improving levels of efficiency.</p> <p>Activities include issues management, media relations, production of printed and multimedia materials, ombudsmanship, supervision of the reception function, advertising, marketing, and assistance in developing housing related policies and communication around those policies, as well as responding to requests for public information. Re-engineering activities include the study of internal processes, customer research, and the creation of plans to change functions to become more efficient.</p>																				
Objectives:	<ol style="list-style-type: none">1. Inform the agency’s internal and external publics of affordable housing issues and San Diego Housing Commission programs and roles, building support for new initiatives. Media relations; creation of newsletters, brochures, displays, articles, speeches, presentations; speaking engagements. (Strategy #12, #15)2. Market agency programs to help achieve financial self-sufficiency. (Strategy #6)3. Assist customers with problems or concerns; work with community groups on affordable housing and neighborhood issues. (Strategy #9)4. Assist departments in improving organizational functions for increased efficiency to achieve agency goals and help protect the public trust. (Strategy #4, #7, # 9)																				
Resource Allocation:	<table><tr><td></td><td></td><td>FY03</td><td>FY04</td></tr><tr><td></td><td></td><td>Current</td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>460,906</td><td>\$ 429,670</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>36,583</td><td>0</td></tr><tr><td>Positions</td><td></td><td>4.00</td><td>3.85</td></tr></table>			FY03	FY04			Current	Proposed	Budget	\$	460,906	\$ 429,670	Continuing Appropriations	\$	36,583	0	Positions		4.00	3.85
		FY03	FY04																		
		Current	Proposed																		
Budget	\$	460,906	\$ 429,670																		
Continuing Appropriations	\$	36,583	0																		
Positions		4.00	3.85																		

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:

ACTIVITY:

SUBACTIVITY:

OPERATIONS

COMMUNICATIONS & OPERATIONS DEVELOPMENT

Communications & Operations Development

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Salaries & Benefits	349,677	353,011	1%
Services & Supplies	111,229	76,659	-31%
TOTAL EXPENDITURES	460,906	429,670	-7%
REVENUES			
Unrestricted			
Local	460,906	429,670	-7%
Unrestricted Total	460,906	429,670	-7%
TOTAL REVENUES	460,906	429,670	-7%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	OPERATIONS
ACTIVITY:	COMMUNICATIONS & OPERATIONS DEVELOPMENT
SUBACTIVITY:	Communications & Operations Development

Summary of Major Changes:

Salaries & Benefits: The increase of \$3,334 is primarily due to provisions for salary, benefit and employee pay plan increases in FY04. Also, there is a proposed upgrade of an Administrative Assistant position to Senior Administrative Assistant. These increases have been partially offset by a transfer of 0.15 of a Community Relations Liaison position to the Rental Assistance activity.

Services & Supplies: The decrease of \$34,570 is primarily due to the decrease of \$14,200 in contract/consultants for advertising, photography, freelance writers and graphic artists. In addition, there is a \$9,873 decrease in sundry for printing, postage, advertising, conference sponsorships, mileage and photography based on actual usage; \$5,050 in legal; \$4,618 in telephone and photocopy costs due to the transfer to Information Systems for centralized control; \$765 in office equipment due to one-time purchases in FY03; and \$64 due to the reallocation of office rent.

Housing Programs: N/A

Activity Based Budget Detail

PROGRAM, CONTINGENCY & AGENCY

RESERVES

FY04 BUDGET
San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:		PROGRAM, CONTINGENCY & AGENCY RESERVES																																	
ACTIVITY:		PROGRAM, CONTINGENCY & AGENCY RESERVES																																	
SUBACTIVITY:		Program, Contingency & Agency Reserves																																	
Purpose and Description of the Activity:		<p>The Program, Contingency & Agency Reserves are funds budgeted in the current year to provide for a future event.</p> <ul style="list-style-type: none">• The Program Reserves provide for future administration, housing programs or capital improvements for specific multiyear housing programs, and decrease unless new resources are awarded.• The Contingency Reserves include amounts to provide for potential litigation, uninsured losses and building reserves.• The Agency Reserves include amounts that are available for all housing programs. <p>A detailed list of these Reserves and their uses is at the end of Addendum 1.</p>																																	
Resource Allocation:		<table><tr><td></td><td></td><td></td><td>FY03</td><td></td><td>FY04</td></tr><tr><td></td><td></td><td></td><td>Current</td><td></td><td>Proposed</td></tr><tr><td>Budget</td><td>\$</td><td>10,685,663</td><td></td><td>\$</td><td>15,135,037</td></tr><tr><td>Continuing Appropriations</td><td>\$</td><td>0</td><td></td><td>\$</td><td>0</td></tr><tr><td>Positions</td><td></td><td>0.00</td><td></td><td></td><td>0.00</td></tr></table>							FY03		FY04				Current		Proposed	Budget	\$	10,685,663		\$	15,135,037	Continuing Appropriations	\$	0		\$	0	Positions		0.00			0.00
			FY03		FY04																														
			Current		Proposed																														
Budget	\$	10,685,663		\$	15,135,037																														
Continuing Appropriations	\$	0		\$	0																														
Positions		0.00			0.00																														

FY04 BUDGET**San Diego Housing Commission**

Addendum 1

ACTIVITY GROUP:**ACTIVITY:****SUBACTIVITY:****PROGRAM, CONTINGENCY & AGENCY RESERVES****PROGRAM, CONTINGENCY & AGENCY RESERVES****Program, Contingency & Agency Reserves**

	FY03 Current Budget	FY04 Proposed Budget	% Change
EXPENDITURES			
Reserves	10,685,663	15,135,037	42%
TOTAL EXPENDITURES	10,685,663	15,135,037	42%
REVENUES			
Restricted			
Section 8	2,291,136	2,516,897	10%
Other HUD	2,011,942	5,265,774	162%
State	31,803	190,804	500%
Restricted Local	220,544	783,860	255%
Restricted Total	4,555,425	8,757,335	92%
Unrestricted			
Local	4,999,192	5,490,869	10%
HOME	1,131,046	886,833	-22%
Unrestricted Total	6,130,238	6,377,702	4%
TOTAL REVENUES	10,685,663	15,135,037	42%

FY04 BUDGET

San Diego Housing Commission

Addendum 1

ACTIVITY GROUP:	PROGRAM, CONTINGENCY & AGENCY RESERVES
ACTIVITY:	PROGRAM, CONTINGENCY & AGENCY RESERVES
SUBACTIVITY:	Program, Contingency & Agency Reserves

Summary of Major Changes:

Salaries & Benefits: N/A

Services & Supplies: N/A

Housing Programs: N/A

Reserves: The increase of total Reserves is \$4,449,374. This is primarily due to the increase in Program Reserves of \$3,957,697, from \$5,686,471 in FY03 to \$9,644,168 in FY04. This increase in Program Reserves is primarily due to the transfer of \$5,058,715 of Property Management Operating Reserves for the Conventional, Maya Apartments, State Rental and University Canyon project from the Non-Budgeted Restricted Cash Addendum to the Reserves section of the FY04 Budget. In addition, there is an expected increase of \$391,222 in Section 8 Surplus Administrative Fees due to the higher lease-up of units on the Voucher program. These increases are offset by the routine \$1,492,240 drawdown of reserves for the multiyear Capital Fund, FSS Coordinator, HOME, HUD Lead Hazard Control Grant, PH Drug Elimination, ROSS, Shelter Plus Care, and Section 8 Housing Counseling grants. It is expected that new awards will replenish some of this decrease during FY04. Specific applications for funds will be presented at future Housing Commission meetings for approval as HUD and other agencies notify staff concerning the availability of resources.

Previous Contingency Reserves are not recommended for change by staff. They include litigation reserves to provide for unexpected legal issues, insurance reserves to provide for coverage of deductibles, and building reserves to provide for future major rehabilitation or replacement of the existing facilities. Again in FY04, staff is proposing that \$1.5 million of Local funds be set aside in FY04 for proposed HUD rule changes to the Voucher program that may cause a significant decrease in administrative funds and/or program costs of rent to owners.

Staff has created a new category of Reserves that has been named Agency Reserves. The Agency Reserves include amounts that are available for all housing purposes. The amount has increased by \$491,677 due to litigation settlements that reimbursed previously spent funds for legal and contract/consultants. Staff recommends that the Agency Reserves be retained to provide for supplemental funding of programs that do not provide sufficient administration.

FY04 BUDGET

San Diego Housing Commission

Addendum 1

Type of Reserve	FY04 Proposed Use	FY03 Amount	FY04 Amount	Change
I Program Reserves				
The Program Reserves provide for future personnel, services and supplies, and/or housing programs on specific multiyear housing programs and decrease over time unless new resources are awarded. These funds are restricted and must be used in support of each program or returned to the funding source.				
CAL HOME Program	Administration for FY05	16,100	14,850	(1,250)
Capital Fund	Admin & Hsg Prg for FY05 & FY06	589,555	343,044	(246,511)
CCDC	Housing Programs for FY04	554	0	(554)
CCDC L&MIH Set Aside	Housing Programs for FY04	411	0	(411)
CCDC L&MIH Set Aside - HO	Administration for FY05	60,000	60,000	0
City Properties Mgmt	Administration for FY03	2,526	0	(2,526)
* Conventional Operating Mgmt	Future Extraordinary Maintenance	28,003	4,386,622	4,358,619
FSS Coordinator - Section 8	Administration for FY03	141,800	0	(141,800)
HOME	Admin for FY05 & FY06	1,131,046	886,833	(244,213)
HUD Lead Hazard Control Grant	Admin & Hsg Prg for FY05 & FY06	822,176	387,095	(435,081)
Low Income Capital Outlay	Returned to Funding Source in FY03	185	0	(185)
Market Street Redevelopment	Administration for FY04	1,076	1,843	767
Mt Hope Rehabilitation	Administration for FY04	176	17,780	17,604
PH Drug Elimination	Administration for FY03	50,693	0	(50,693)
Redevelopment Agency - LV	Administration for FY03	618	0	(618)
ROSS Neighborhood Networks	Administration for FY05	26,493	16,584	(9,909)
ROSS RSDM	Admin for FY03 & FY04	321,681	85,625	(236,056)
ROSS PH Service Coordinator	Administration for FY03	106,589	0	(106,589)
Shea Homes	Administration for FY03	375	0	(375)
Shelter Plus Care	Admin for FY05 to FY07	66,752	46,804	(19,948)
Southcrest Redevelopment	Administration for FY05	13,922	23,253	9,331
* State Rental	Future Extraordinary Maintenance	0	159,813	159,813
State REO	Admin & Hsg Prg for FY05	15,703	16,141	438
Section 8 Housing Counseling	Administration for FY03	23,661	0	(23,661)
Section 8 Surplus Admin Fees	Admin & Hsg Prg for FY05 & FY06	2,125,675	2,516,897	391,222
* Maya Apartments	Future Extraordinary Maintenance	124,760	288,666	163,906
* University Canyon Management	Future Extraordinary Maintenance	15,941	392,318	376,377
Subtotal		5,686,471	9,644,168	3,957,697

- * The Operating Reserves of the Property Management program have been transferred from the Non-Budgeted Restricted Cash Addendum to the Program Reserves in FY04.

II Contingency Reserves

The Contingency Reserves include amounts to provide for potential litigation, uninsured losses and building reserves. The unexpended Contingency Reserves will be re-budgeted in the following year.

Local Funds	Provide for potential litigation	300,000	300,000	0
Local Funds	Provide for uninsured losses	300,000	300,000	0
Local Funds	Provide for office facility	1,515,673	1,515,673	0
Local Funds	Section 8 Contingency Reserves	1,500,000	1,500,000	0
Subtotal		3,615,673	3,615,673	0

III Agency Reserves

The Agency Reserves include amounts that are available for all housing purposes. Staff recommends that this amount be retained to provide for supplemental funding of programs that do not provide sufficient administration.

Local Funds	Admin for FY04 & FY05	1,383,519	1,875,196	491,677
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Total Program, Contingency & Agency Reserves	10,685,663	15,135,037	4,449,374
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FY04 BUDGET

San Diego Housing Commission

Addendum 2

Revenues

The proposed FY04 Budget includes \$162,579,407 in estimated revenue sources identified to date, representing an increase of \$13.0 million from the current FY03 revenues. This increase in revenues is due primarily to the Section 8 Voucher program that is increasing by \$12.4 million due to the addition of 144 units, annualizing rent payments for the additional units leased, and providing for rent increases through FY04. Also, there is the transfer of \$5.1 million of Property Management Operating Reserves for the Conventional, Maya Apartments, State Rental and University Canyon project from the Non-Budgeted Restricted Cash Addendum to the Program Reserves section of the FY04 Budget. In addition, there is a \$0.6 million increase in Shelter Plus Care due to the award of an additional project from HUD.

These increases are partially offset by the expected obligation and/or completion in the current fiscal year of a number of housing projects or programs including Capital, Housing Trust, HUD Lead Hazard Control, Redevelopment, ROSS and Shea Homes funds that will be \$3.2 million less in FY04 than occurred in FY03. Also, one-time sources of City Women's Shelter, HOPWA and HUD Development funds are expected to be committed in FY03 and will decline by \$1.1 million. Finally, the type of San Diego-generated revenue called "Local" funds is projected to decrease by \$0.8 million in FY04 and is due primarily to the one-time receipt of litigation settlements in FY02 and FY03; this is not expected to repeat in FY04. Staff will continue to refine revenue estimates and advise the Commission through budget status reports and revisions.

Of the \$162.6 million in identified revenues in FY04, \$136.6 million are Restricted Revenues that can only be expended for specific purposes defined by the funding sources. Restricted Revenues include Section 8 rental assistance and public housing operating subsidies from the U.S. Department of Housing and Urban Development (HUD), State funds, specific grants for programs administered by Resident Services, and other sources.

The FY04 Budget includes \$26.0 million in Unrestricted Revenues. The Commission has discretion over these less restricted revenues that include Rental Rehabilitation loan repayments, Local funds (bond fees, lease/sale revenue, loan repayments, etc.), Housing Trust Funds and HOME funds.

	FY03 Current	FY04 Proposed	Change
Restricted Revenues			
Section 8	\$ 96,036,246	\$ 108,424,712	13%
Other HUD	16,059,422	19,003,240	18%
State	600,711	876,368	46%
CDBG	3,623,328	3,432,888	-5%
Restricted Local	5,012,331	4,875,540	-3%
Subtotal	\$ 121,332,038	\$ 136,612,748	13%
Unrestricted Revenues			
Rental Rehab	\$ 636,854	\$ 364,784	-43%
Local	12,456,250	11,615,981	-7%
Housing Trust Funds	2,856,354	1,810,936	-37%
HOME	12,231,727	12,174,958	0%
Subtotal	\$ 28,181,185	\$ 25,966,659	-8%
Total Revenues	\$ 149,513,223	\$ 162,579,407	9%

FY04 BUDGET

San Diego Housing Commission

Addendum 2

Revenues

Although funding for Federal Fiscal Year 2004 is not yet established, it is expected that there will be a 13% increase in Section 8 revenues. This is due primarily to the addition of 144 units, annualizing rent payments for the additional units leased, and providing for anticipated rent increases for landlords through [FY04](#). Also, this budget assumes that the support evidenced by the House and Senate Appropriations Committees is sufficient to result in full funding for the Section 8 program's authorized units and will permit current year contract savings to be used for leasing additional units.

The 18% increase in Other HUD funds is due primarily to the transfer of the \$5.1 million Conventional Operating Reserve from the Non-Budgeted Restricted Cash Addendum to Program Reserves in [FY04](#) and an additional new award of Shelter Plus Care funds. This increase is partially offset by the anticipated expenditure and/or commitments on the Capital, Lead Hazard Control Grant, Moving to Work, Drug Elimination and ROSS housing programs in [FY03](#). In addition, several one-time multiyear programs, including HUD Development and HOPWA, will utilize their remaining balances in [FY03](#).

State funds increase by 46% primarily due to the transfer of the \$159,813 State Operating Reserves from the Non-Budgeted Restricted Cash Addendum to Program Reserves in [FY04](#) and staff will request increased annuity funds for extraordinary maintenance. This increase is partially offset by the anticipated expenditure and/or commitments of the CAL HOME funds for rehabilitation in [FY03](#).

Community Development Block Grant (CDBG) funds decrease by 5% primarily due to less carryover of district projects from [FY03](#) than the amount that occurred in [FY02](#). New funds expected from the [FY04](#) application to be submitted to the City for Housing Commission activities are approximately the same as the application in [FY03](#). The City Council stated its intent in 1996 to allocate 20% of the CDBG funds to affordable housing. This amount includes estimated funding for Housing Commission administration of programs, district allocations to Commission-administered projects, commitments to nonprofit entities for housing programs and the balance to be placed in the Housing Trust Fund to compensate for the reduction in the Housing Impact Linkage fee. It should be noted that the actual CDBG allocation was unknown at the time of budget preparation and may result in a revision based on the actual funding level.

Restricted Local funds are expected to decrease by 3% primarily due to the anticipated expenditure and/or commitments of the Casey Foundation, CCDC, City Property Management, Housing Rehabilitation Trust fund, Redevelopment, SDCC ICAN Welfare to Work and Shea Homes funds in [FY03](#). In addition, there is a reduction due to the expected completion of the City Women's Shelter, Low Income Housing Capital Outlay and SDCCD programs in [FY03](#). These decreases have been partially offset by the transfer of the Maya and University Canyon Operating Reserves from the Non-Budgeted Restricted Cash Addendum to Program Reserves in [FY04](#). Also, there is a substantial increase in funds for the Reinvestment Task Force for the Capital Collaborative.

Rental Rehabilitation funds are expected to decrease by 43% primarily due to less carryover of funds from [FY03](#) than occurred in [FY02](#) due to the expenditure and/or obligation of funds in [FY03](#). Also, new funds anticipated in [FY04](#) from loan payments and interest income are expected to be lower than in [FY03](#) due to a decreasing size of the loan portfolio. As has been addressed in previous budgets, Local funds received several one-time sources of litigation settlements in [FY02](#) and [FY03](#) and these are not expected to repeat leading to a decline in new Local funds. A resource development team has been established to identify and secure funding to take the place of these and other declining revenue streams.

FY04 BUDGET

San Diego Housing Commission

Addendum 2

Revenues

Housing Trust Funds are expected to decrease by 37% due to the obligation and/or expenditure of funds for Rental Housing Production, Homeownership, Rehabilitation and Special Purpose Housing activities in [FY03](#) resulting in less carryover in [FY03](#) than occurred in [FY02](#). New Housing Trust Fund Linkage Fees will be consistent with [FY03](#) levels. HOME funds are not expected to change and reflect approximately \$400,000 of additional new funds expected in [FY04](#) and approximately \$400,000 less carryover from [FY03](#) than occurred in [FY02](#) due primarily to the expected completion/obligation of various housing projects during [FY03](#).

FY04 BUDGET

San Diego Housing Commission

Addendum 2

Agency Summary of Revenues

	FY03 Current			FY04 Proposed			% of Chg Curr/Prop
	Carryover	New	Total	Carryover	New	Total	
REVENUES							
CAL HOME Program	32,800	0	32,800	16,810	0	16,810	-49%
Capital Fund	1,233,246	2,311,627	3,544,873	1,187,320	1,905,802	3,093,122	-13%
Casey Foundation	16,994	0	16,994	86	0	86	-99%
CCDC	554	0	554	1,054	0	1,054	90%
CCDC Low/Moderate Income Hsg Set Aside	411	0	411	419	0	419	2%
CCDC L&M IHSA - Homeownership	985,000	0	985,000	810,000	0	810,000	-18%
CDBG	1,414,504	2,208,824	3,623,328	1,218,970	2,213,918	3,432,888	-5%
City Properties Management	4,040	7,058	11,098	1,150	5,544	6,694	-40%
City Women's Shelter	0	84,093	84,093	0	0	0	-100%
Conventional Operating Management	0	7,270,302	7,270,302	4,955,587	7,491,640	12,447,227	71%
County CDBG RTF	0	75,000	75,000	0	150,000	150,000	100%
Family Health Centers of SD	11,487	11,791	23,278	23,228	0	23,228	0%
HOME	3,094,727	9,137,000	12,231,727	2,639,958	9,535,000	12,174,958	0%
Housing Rehabilitation Trust Fund	573,514	246,745	820,259	35,305	219,871	255,176	-69%
HTF - CDBG	296,253	228,520	524,773	70,939	238,258	309,197	-41%
HTF - Fay Avenue	1,054	0	1,054	0	0	0	-100%
HTF - Linkage Fees	798,463	1,399,646	2,198,109	99,468	1,321,753	1,421,221	-35%
HTF - Redevelopment Agency	110,152	279	110,431	58,344	22,174	80,518	-27%
HTF - Transient Occupancy Tax	21,987	0	21,987	0	0	0	-100%
HUD Development	903,514	0	903,514	0	0	0	-100%
HUD Lead Hazard Control Grant	0	1,889,755	1,889,755	1,606,744	0	1,606,744	-15%
Local Funds	6,602,652	5,853,598	12,456,250	7,926,752	3,689,229	11,615,981	-7%
Low Income Capital Outlay	185	0	185	0	0	0	-100%
Market Street Redevelopment	250,469	8,332	258,801	1,399	4,441	5,840	-98%
Maya Apartments	0	1,195,343	1,195,343	288,666	1,282,434	1,571,100	31%
Moving to Work Tech Asst 0631	52,672	0	52,672	9,700	0	9,700	-82%
Mt Hope Rehabilitation Project	55,474	1,668	57,142	59,489	116,731	176,220	208%
Public Housing Drug Elimination	453,276	0	453,276	65,082	0	65,082	-86%
Redevelopment Agency - Linda Vista	26,961	709	27,670	27,968	747	28,715	4%
Rental Rehabilitation	262,923	373,931	636,854	43,421	321,363	364,784	-43%
ROSS Neighborhood Networks FFY02	0	100,000	100,000	100,000	0	100,000	0%
ROSS RSDM	929,842	500,000	1,429,842	851,648	0	851,648	-40%
ROSS PH Service Coordinator	115,297	58,247	173,544	95,583	19,982	115,565	-33%
RTF Contracts	46,574	40,752	87,326	60,000	240,000	300,000	244%
SD County HOPWA	85,000	0	85,000	0	0	0	-100%
SDCCDAO ICAN Welfare to Work	37,682	25,856	63,538	38,398	0	38,398	-40%
SDCCD ICAN Implementation	1,347	1,917	3,264	0	0	0	-100%
Section 8 Programs	1,539,855	94,496,391	96,036,246	2,200,701	106,224,011	108,424,712	13%
Shea Homes	104,549	2,030	106,579	7,975	1,661	9,636	-91%
Shelter Plus Care	123,644	0	123,644	66,752	647,400	714,152	478%
Southcrest Redevelopment Agency	107,945	40,210	148,155	28,400	78,827	107,227	-28%
State Rental Housing	0	552,208	552,208	159,813	683,604	843,417	53%
State REO	15,580	123	15,703	15,902	239	16,141	3%
University Canyon Drug Elimination	118,000	0	118,000	0	0	0	-100%
University Canyon Management	0	962,641	962,641	394,818	996,929	1,391,747	45%
Total Budget	20,428,627	129,084,596	149,513,223	25,167,849	137,411,558	162,579,407	9%
Less: Interfund Transfers							
a) University Canyon			(608,736)			(644,016)	6%
b) Data Processing			(162,996)			(173,208)	6%
c) Facilities Management			(916,012)			(852,930)	-7%
Net Total Budget			147,825,479			160,909,253	9%
Continuing Appropriations			21,948,168			10,016,701	-54%

FY04 BUDGET

San Diego Housing Commission

Addendum 2

Summary of Housing Commission Revenue Changes

CAL HOME Program	The decrease of 49% is due to the expected obligation and/or completion of Homeownership activities in FY03 of this one-time State source.
Capital Fund	The decrease of 13% is due to \$406,000 less new funds expected to be awarded in FY04 on this multiyear program and slightly less carryover funds from FY03 than occurred in FY02 . This HUD fund replaced the Comprehensive Grant Program but can be utilized for a broader range of uses. The uses proposed for FY04 for the Capital Fund are identical to the uses for the Comprehensive Grant and include the continuation of Major Renovations and Resident Services.
Casey Foundation	The decrease of 99% is due to the use of this one-time source of administrative funding for the Reinvestment Task Force in FY03 .
CCDC	The increase of 90% is due to a small amount of interest earnings and will be utilized in the same activity of Rental Housing Production.
CCDC Low & Moderate Income Housing Set Aside	The increase of 2% is due to a small amount of interest earnings and will be utilized in the same activity of Special Purpose Housing.
CCDC L&M IHSA - Homeownership	The decrease of 18% is due to the expected obligation and/or completion of Homeownership activities in FY03 of this one-time restricted local source.
CDBG	The decrease of 5% is primarily due to less carryover of district projects from FY03 than the amount that occurred in FY02 . New funds expected from the FY04 application submitted to the City for Housing Commission activities are approximately the same as the application in FY03 .
City Properties Management	The decrease of 40% reflects fewer units to be managed and therefore lower management fees in FY04 and less carryover of funds from FY03 than occurred in FY02 .
City Women's Shelter	The 100% decrease is due to the expected completion of this Special Purpose Housing project in FY03 .
Conventional Operating Management	The increase of 71% is primarily due to the transfer of the \$4,955,587 Operating Reserve from the Non-Budgeted Restricted Cash Addendum to Program Reserves in FY04 . In addition, there is higher tenant rent and HUD subsidy expected in FY04 for this Property Management program.
County CDBG RTF	The increase of 100% reflects that new funds for the Reinvestment Task Force will be provided for the Capital Collaborative in FY04 .
Family Health Centers of SD	The 0% change reflects that all funding from FY03 is expected to carryover in FY04 for resident services.

FY04 BUDGET

San Diego Housing Commission

Addendum 2

Summary of Housing Commission Revenue Changes

HOME	The 0% change reflects approximately \$400,000 of additional new funds expected in FY04 and approximately \$400,000 less carryover from FY03 than occurred in FY02 , due primarily to the expected completion/obligation of various housing projects during FY03 .
Housing Rehabilitation Trust Fund	The decrease of 69% is due primarily to the expected completion/obligation of various housing rehabilitation projects during FY03 , resulting in less carryover funding than occurred in FY02 . New funds in FY04 are anticipated to be at approximately the same level in FY03 .
HTF-CDBG	The decrease of 41% is due primarily to the expected completion/obligation of various housing rehabilitation projects during FY03 , resulting in less carryover funding than occurred in FY02 . New funds in FY04 are anticipated to be at approximately the same level in FY03 .
HTF-Fay Avenue	The decrease of 100% reflects the final expenditure in FY03 of this one-time only source of funds from the sale of Fay Avenue in late FY98 .
HTF-Linkage Fees	The decrease of 35% is due primarily to the expected completion/obligation of various Special Purpose Housing projects during FY03 , resulting in less carryover funding than occurred in FY02 . New funds in FY04 are anticipated to be at approximately the same level in FY03 .
HTF-Redevelopment Agency	The decrease of 27% is due primarily to the expected completion/obligation of various housing projects during FY03 , resulting in less carryover funding than occurred in FY02 . This decrease is partially offset by a slight increase of new funds in FY04 .
HTF-TOT	The decrease of 100% reflects the final expenditure in FY03 of this one-time only source of funds from the City of San Diego.
HUD Development	The 100% decrease is due primarily to the expected obligation/completion of construction of the Boston project in FY03 .
HUD Lead Hazard Control Grant	The decrease of 15% is due to the expected obligation and/or completion of Rehabilitation activities in FY03 of this one-time source.
Local Funds	The decrease of 7% is due primarily to the one-time receipt of litigation settlements in FY03 ; this is not expected to repeat in FY04 .
Low Income Housing Capital Outlay	The decrease of 100% is due to the anticipated return of \$185 in FY03 to the City of San Diego of this one-time source in FY03 that was not required for painting and stucco on the Camulos housing site.
Market Street Redevelopment	The decrease of 98% is due primarily to the expected completion/obligation of various rehabilitation projects during FY03 , resulting in far less carryover of funds from FY03 than occurred in FY02 . Also, with the expenditure of funds in FY03 , new interest earnings are expected to decline in FY04 .

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San Diego Housing Commission

Addendum 2

Summary of Housing Commission Revenue Changes

Maya Apartments	The increase of 31% is primarily due to the transfer of the \$288,666 Operating Reserve from the Non-Budgeted Restricted Cash Addendum to Program Reserves in FY04 . Also, new funds in FY04 from tenant rent are expected to be higher, while legal, maintenance and late charges are expected to be approximately the same as in FY03 .
Moving to Work Tech Asst	The decrease of 82% is due to the expected completion/obligation of funds in FY03 of this one-time source.
Mt Hope Rehabilitation	The increase of 208% is due primarily to an expected new award of funds in FY04 for housing rehabilitation. There is a slight increase in carryover funds from FY03 that results from loan payoffs.
Public Housing Drug Elimination	The 86% decrease reflects primarily the expected obligation and/or completion of Resident Services activities in FY03 . No new funds are expected in FY04 .
Redevelopment Agency- Linda Vista	The 4% increase primarily reflects slightly greater new and carryover of funds from FY03 than occurred in FY02 . This is due to a small amount of interest earnings on available funds.
Rental Rehabilitation	The 43% decrease primarily reflects less carryover of funds from FY03 than occurred in FY02 , due to the expenditure and/or obligation funds in FY03 . Also, new funds anticipated in FY04 from loan payments and interest income are expected to be lower than in FY03 due to a decreasing size of the loan portfolio.
ROSS Neighborhood Networks	The 0% change is due to the expected carryover of all funds on this recent HUD award for Resident Services.
ROSS RSDM	The decrease of 40% is due primarily to not incorporating new funds in the FY04 Budget at this time. It is expected that new awards to replenish this decrease will occur during FY04 . Specific applications for funds will be presented at future Housing Commission meetings for approval as HUD notifies staff concerning the availability of resources. In addition, there is a decrease in carryover of funds from FY03 than occurred in FY02 due to the expenditure and/or obligation funds in FY03 .
ROSS PH Service Coordinator	The decrease of 33% is due primarily to not incorporating the same level of new funds in the FY04 Budget at this time. It is expected that new awards to replenish this decrease will occur during FY04 . Specific applications for funds will be presented at future Housing Commission meetings for approval as HUD notifies staff concerning the availability of resources. In addition, there is a decrease in carryover of funds from FY03 than occurred in FY02 due to the expenditure and/or obligation funds in FY03 .
RTF Contracts	The increase of 244% reflects the expectation that the Reinvestment Task Force will provide additional services to a variety of local businesses in FY04 and obtain additional resources for the Capital Collaborative.

FY04 BUDGET

San Diego Housing Commission

Addendum 2

Summary of Housing Commission Revenue Changes

SD County HOPWA	The decrease of 100% is due to the expected completion/obligation of all funds for service providers in FY03 and no new funds are expected in FY04 .
SDCCDAO ICAN Welfare to Work	The decrease of 40% reflects the expenditure and/or obligation of most funds in FY03 , leading to less carryover funding in FY04 . Also, new funds are not expected in FY04 .
SDCCD ICAN Implementation	The decrease of 100% is due to the expected completion/obligation of all funds for service providers in FY03 and no new funds are expected in FY04 .
Section 8 Programs	The 13% increase is primarily due to the addition of 144 units, annualizing rent payments for the additional units leased, and providing for rent increases through FY04 . It is also expected that the Operating Reserve will increase due to the full lease-up of units authorized by HUD.
Shea Homes	The decrease of 91% reflects the expenditure and/or obligation of funds for Homeownership in FY03 , leading to significantly less carryover funding in FY04 than occurred in FY03 . New funds from interest earning are expected to decrease in FY04 .
Shelter Plus Care	The increase of 478% reflects the recent additional new award for an extension of the Shelter Plus Care program. This is partially offset by a decrease in carryover funds due to the expenditure of funds for administration in FY03 .
Southcrest Redevelopment Agency	The decrease of 28% is primarily due to the expenditure and/or obligation of funds for rehabilitation in FY03 . This decrease is partially offset by an anticipated award of funds in FY04 .
State Rental Housing	The increase of 53% is primarily due to the transfer of the \$159,813 Operating Reserve from the Non-Budgeted Restricted Cash Addendum to Program Reserves in FY04 . New funds in FY04 from tenant rents, interest, maintenance and legal charges are expected to be approximately the same as in FY03 , and staff will request increased annuity funds for extraordinary maintenance.
State REO	The increase of 3% is primarily due to a small amount of interest earnings. Loan repayments are expected in FY04 and have been placed in Reserves pending the State determining possible reuse.
University Canyon Drug Elimination	The decrease of 100% is due to the expected completion/obligation of all funds in FY03 and no new funds are expected in FY04 .
University Canyon Management	The increase of 45% is primarily due to the transfer of the \$394,818 Operating Reserve from the Non-Budgeted Restricted Cash Addendum to Program Reserves in FY04 . New funds in FY04 from tenant rents, interest, maintenance and legal charges are expected to be slightly higher than in FY03 .

FY04 Budget San Diego Housing Commission

Addendum 3

Expenditures

The proposed FY04 Budget shows a 9% increase in proposed expenditures and reserves reflecting an increase in salaries and benefits and a reduction of legal in the Major Renovations activity. Housing Programs expenses increase primarily due to the addition of 144 units, annualizing rent payments for the additional units leased, and providing for rent increases to landlords through FY04 in Rental Assistance. This increase has been partially offset by the obligation and/or expenditure of most CCDC, HOME, Housing Trust, HUD Development and Redevelopment funds on various development projects in the current fiscal year and will lead to substantially less carryover of funds from FY03 than occurred in FY02.

		FY03 Current	FY04 Proposed	Change
Salaries & Benefits	\$	15,052,224	\$ 15,963,223	\$ 910,999
Services & Supplies		7,243,368	7,061,611	(181,757)
Housing Programs		116,531,968	124,419,536	7,887,568
Program, Contingency & Agency Reserves		10,685,663	15,135,037	4,449,374
Total	\$	149,513,223	\$ 162,579,407	\$ 13,066,184
Continuing Appropriations	\$	21,948,168	\$ 10,016,701	\$ (11,931,467)

The FY04 Budget reflects that staffing is unchanged although there is an increase of two (2.00) positions in Rental Assistance for the additional workload resulting from leasing all available vouchers and a net reduction of two (2.00) administrative staff positions in Human Resources due to the declining availability of Federal and Local sources of administrative funding. Midyear funding is expected to bring the year-end ratio of salaries to programs to below the same proportion as in FY03.

FY04 budgeted salaries reflect the implementation of the classification and compensation study approved in FY99, as well as a provision for employee progression on the seven-step merit pay range. A salary reserve for FY04 is also included in the salaries and benefits line item to accommodate the salary adjustments that were approved by the Board in FY02. Benefits will increase due to much higher Worker's Compensation rates. Addendum 7 describes salaries and benefits cost increases in detail (Section III, Addendum 7).

Negotiations with SEIU Local 535, the union that represents about two-thirds of the Housing Commission's employees, provided for a three-year agreement in FY02 and this agreement called for a 2.5% increase in salary for FY04. Benefits increase by 8% primarily due to significantly higher worker compensation rates for all employees.

Supplies and Services have decreased by 3%, due primarily to less legal cost anticipated for construction defect issues. All activities were reviewed and this led to the elimination/reduction of several consultants and a decrease in rented office space, with the transfer of the maintenance staff to the Calle Primera site to compensate for the declining availability of Federal and Local sources of administrative funding. Also, there were decreases in travel, sundry and equipment. These decreases were partially offset by increases in most insurances; extraordinary maintenance at the Newton facility to provide for painting, flooring, HVAC upgrade, parking lot seal, etc; and utilities due to higher increases in FY03 than expected and a provision for an increase in FY04.

FY04 Budget

San Diego Housing Commission

Addendum 3

Expenditures

Housing Programs expenditures have increased by 7% and is primarily due to the addition of 144 units, annualizing rent payments for the additional units leased, and providing for rent increases to landlords through FY04. This increase has been partially offset by the obligation and/or expenditure of most CCDC, HOME, Housing Trust, HUD Development and Redevelopment funds on various development projects in the current fiscal year, and will lead to substantially less carryover of funds from FY03 than occurred in FY02.

Program, Contingency and Agency Reserves of \$15.1 million (9.3% of the total budget) increased by 42% primarily due to the transfer of the Operating Reserves, previously shown in the Non-Budgeted Restricted Cash Addendum, to the Program Reserves in FY04. The Program, Contingency and Agency Reserves are set aside to meet regulatory requirements (\$9.6 million), building reserves (\$1.5 million), Section 8 rule changes by HUD (\$1.5 million), litigation (\$300,000), uninsured claims (\$300,000), and reserves for unforeseen circumstances (\$1.9 million). The \$1.9 million of Agency Reserves represent 1.2% of the FY04 Budget. For a detailed explanation of Program, Contingency & Agency Reserves, see Section III, Addendum 1.

Continuing Appropriations of \$10.0 million are funds that were committed in FY03 or earlier for multiyear projects or programs. While funds are not available for reallocation in this FY04 budget process, they are shown to fully reveal activity and workload during FY04.

FY04 BUDGET

San Diego Housing Commission

Addendum 3

Agency Summary of Expenditures

	FY03 Current	FY04 Proposed	% of Chg Curr/Prop
Staffing	245.50	245.50	0%
EXPENDITURES			
Salaries & Benefits	15,052,224	15,963,223	6%
Services & Supplies			
Legal	618,894	409,765	-34%
Training	224,821	224,349	0%
Travel	113,052	104,257	-8%
Audit	51,644	51,644	0%
Contract/Consultant	2,193,789	2,154,750	-2%
Office Rent	916,012	852,930	-7%
Facility Expenses	746,640	881,514	18%
Data Processing	162,996	173,208	6%
Sundry	1,522,844	1,511,118	-1%
Insurance	278,246	340,167	22%
Office Equipment	414,430	357,909	-14%
Total Services & Supplies	7,243,368	7,061,611	-3%
Housing Programs			
Resident Services Expenses	1,810,846	784,798	-57%
Maintenance Expenses	1,956,986	2,221,608	14%
Utilities	1,237,020	1,281,464	4%
PILOT & Property Taxes	20,432	20,432	0%
Collection Loss	46,205	46,205	0%
Mortgage Payments	784,620	784,620	0%
Protective Services	197,310	196,285	-1%
Rent to Owners	85,495,957	97,863,006	14%
Loans & Grants	18,972,870	13,763,784	-27%
Relocation	141,450	143,375	1%
Site Acquisition & Housing Development	2,461,901	3,652,234	48%
Extraordinary Maintenance	3,213,423	3,433,475	7%
Dwelling Equipment	192,948	228,250	18%
Total Housing Programs	116,531,968	124,419,536	7%
Program, Contingency & Agency Reserves	10,685,663	15,135,037	42%
Total Budget	149,513,223	162,579,407	9%
Less: Interfund Transfers			
a) University Canyon	(608,736)	(644,016)	6%
b) Data Processing	(162,996)	(173,208)	6%
c) Facilities Management	(916,012)	(852,930)	-7%
Net Total Budget	147,825,479	160,909,253	9%
Continuing Appropriations	21,948,168	10,016,701	-54%

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San Diego Housing Commission

Addendum 3

Summary of Housing Commission Expenditure Changes

Salaries & Benefits	The \$910,999 increase in salaries and benefits is a result of adding 2.00 positions and deleting 2.00 positions, reclassifying 4.00 positions and providing for employees' pay plan increases in FY04 and a salary reserve should the Housing Commission approve staff salary increases. The proposed budget also reflects an 8% increase in benefits primarily to provide for rate increases in Worker's Compensation. A detailed explanation of staffing changes and the increase in salaries and benefits is included in Section III, Addenda 4 and 7.
Legal	The \$209,129 decrease in legal is primarily due to the \$165,000 reduction resulting from the anticipated completion of one-time construction defect issues in Major Renovations. In addition, there is a decrease of \$33,000 in Rental Assistance, and other small decreases in Communications & Operations Development, Resident Services, and Organizational Development & Training account for the balance of the decrease in this line item. A reserve of \$300,000 has been proposed to provide for potential litigation expenses.
Training	There is a small decrease of \$472 in training due primarily to small decreases in Human Resources, Rental Assistance and Resident Services as initial staff training was completed in FY03. These decreases are nearly offset by an increase in Rehabilitation to provide for specialized training in lead-based paint testing for the HUD Lead Hazard Control Grant.
Travel	The decrease of \$8,795 in agency travel is primarily due to the reduction of \$8,130 in Resident Services resulting from completing travel in FY03. The balance of the decrease is due to small decreases/increases in Human Resources and Organizational Development & Training.
Audit	There is no change anticipated in FY04 for this line item.
Contract/Consultant	The decrease of \$39,039 in contract and consultant is primarily due to a variety of increases/decreases in most activities. The decreases include approximately \$134,000 in Rental Assistance and Resident Services for temporary employees and direct hire contractors on various Resident Services programs, including Family Self-Sufficiency and Welfare to Work; \$129,000 in Major Renovations due to the completion of construction defect litigation; \$123,000 in financial consulting, PeopleSoft upgrade, and Human Resources software implementation in Information Systems and Financial Services; \$32,000 in Board & Executive Functions primarily for a revenue study; \$28,500 for records management in Organizational Development & Training, and a variety of contracts in Communications & Operations Development; and \$24,500 in Human Resources primarily for a Salary Survey. These decreases were partially offset by increases of approximately \$261,000 for the Reinvestment Task Force's Capital Collaborative in Portfolio Servicing; \$100,000 in Financial Services for an operations efficiency study; \$64,000 for annualizing two (2.00) direct hire contractors on the HUD Lead Hazard Control Grant in Rehabilitation; and \$6,961 due to small increases in other activities.

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San Diego Housing Commission

Addendum 3

Summary of Housing Commission Expenditure Changes

Office Rent	The \$63,082 decrease in office rent is the result of leasing less space at Ridgehaven, due to the transfer of maintenance staff to the Calle Primera facility.
Facility Expenses	The increase of \$134,874 is primarily due to the increase of \$101,642 for extraordinary maintenance at the Newton facility to provide for painting, flooring, HVAC upgrade, parking lot seal, etc. In addition, there are increases of \$46,777 for utilities due to higher increases in FY03 than expected and there is a provision for an increase in FY04; \$21,000 in legal for the new office facility; \$2,128 for property insurance due to higher rates expected in FY04; and \$1,394 for small increases in building rent, safety supplies and laundry. These increases are partially offset by decreases of \$28,500 in contract/consultants for the new office facility; \$8,462 in office equipment due to one-time purchases in FY03; \$697 in telephone and photocopy transferred to Information Systems for centralized control, and \$408 in maintenance contracts.
Data Processing	The \$10,212 increase is due to charges for the annualizing of the additional units expected to be under lease in FY04 in Rental Assistance. The charges are for the maintenance of records for residents and landlords.
Sundry	The \$11,726 decrease in sundry is primarily due to a \$50,000 reduction in software support in Information Systems, as certain PeopleSoft modules have not been implemented and do not require support. These decreases were partially offset by increases of approximately \$19,000 in photocopy in Information Systems; \$19,000 in printing and mileage in Property Management; and \$19,000 in printing, gasoline and repair of vehicles in Routine Maintenance. There are numerous other small additional increases/decreases that offset each other in many activities for other sundry items such as rent processing fees, office supplies, stipends and postage.
Insurance	The increase of \$61,921 is primarily due to an increase of \$46,481 for property insurance; \$14,087 for liability insurance; and \$1,429 for fidelity bond. Other insurance including vehicles, lead-based paint and uninsured claims show modest increases and decreases, netting a decrease of \$76. A reserve of \$300,000 has been proposed to cover potential uninsured losses.
Office Equipment	The decrease of \$56,521 is primarily due to the one-time purchase of approximately \$49,000 of computers and software in Information Systems, and \$13,300 for the Housing Counseling program in Rental Assistance in FY03. These decreases were partially offset by an increase of approximately \$8,900 in Routine Maintenance, primarily for new vehicles to replace aging stock. The other activities show modest increases/decreases in office equipment, accounting for the balance of the decrease of \$3,121.
Resident Services Expenses	The decrease of \$1,026,048 in Resident Services recreation and contract expenses is due to the obligation and/or expenditure of significant amounts of funding in FY03 for the ROSS, Capital Fund, Drug Elimination and Move to Work programs. It is expected that additional new awards to replenish this

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San Diego Housing Commission

Addendum 3

Summary of Housing Commission Expenditure Changes

	decrease will occur during FY04. Specific applications for funds will be provided at future Housing Commission meetings for approval as HUD and other agencies notify staff concerning the availability of resources.
Maintenance Expenses	The increase of \$264,622 results from the aging building and expected increases in costs for maintenance materials, various maintenance contracts, and for the 1,769 units managed.
Utilities	The increase of \$44,444 is primarily due to the 4% blended increase in FY04 for water, sewer, gas and electric utilities.
PILOT & Property Tax	There is no change anticipated in FY04 for this line item that provides for special maintenance district charges by the City of San Diego on certain units owned and managed by the Housing Commission and a possessory interest tax on the Maya Apartments. There was a determination by the County Assessor's Office that only possessory interest taxes, not property taxes, can be charged on the Maya Apartments.
Collection Loss	There is no change in this line based on FY03 cost experience.
Mortgage Payments	There is no change expected in FY04 for the Maya and University Canyon Apartments mortgages.
Protective Services	The modest decrease of \$1,025 is due to an anticipated decrease in contract cost for services at various Learning Opportunity Centers in FY04.
Rent to Owners	The increase of \$12,367,049 is due to the addition of 144 units, annualizing rent payments for the additional units leased, and providing for rent increases through FY04. These factors combine into an increase of \$11,771,441 in Rent to Owners. There is also a new award of \$595,608 for Shelter Plus Care that provides for the balance of the increase.
Loans & Grants	The decrease of \$5,209,086 is primarily due to the anticipated obligation and/or completion of various projects in Rental Housing Production, Homeownership, Rehabilitation and Special Purpose Housing projects utilizing CCDC, HOME, Housing Trust, HUD Lead Hazard Control, Local, and Redevelopment funds in FY03 . This will provide less carryover of funds from these activities in FY04 than in FY03 .
Relocation	The modest increase of \$1,925 is due primarily to the increase of \$41,400 for the new HUD Lead Hazard Control program to provide for temporary relocation during lead paint abatement in Rehabilitation. This increase is offset by a decrease of \$39,475 in temporary relocation of tenants in occupancy during the completion of specific Capital Fund work improvements in Major Renovations. These improvements are planned for the public housing sites in FY04, and will require less relocation than in the previous year.

FY04 BUDGET

San Diego Housing Commission

Addendum 3

Summary of Housing Commission Expenditure Changes

Site Acquisition & Housing Development	<p>The increase of \$1,190,333 is due primarily to an increase of \$2 million of HOME funds in Rental Housing Production for a specific project that may warrant public development. It is assumed that the Housing Commission will act as lender to private developers unless such a project occurs. There is also a small increase of \$13,476 in CDBG Foreclosure funds, resulting from interest income earned on this fund. These earnings enhanced the size of the foreclosure fund set aside to safeguard delinquent loans on properties in Portfolio Servicing. These increases have been partially offset by a reduction of \$823,143 of HUD Development and Capital Funds for the Boston Avenue project that is expected to be committed in FY03.</p>
Extraordinary Maintenance	<p>The increase of \$220,052 is due to an increase of \$313,851 to provide lighting, parking lot overlay and landscaping at the Maya Apartments, to renovate kitchens, baths and a playground at University Canyon, and to renovate kitchens at the State projects in FY04. In addition, there is \$175,924 additional Capital Funds to provide for a variety of work items on the Conventional program. These increases are partially offset by the anticipated obligation and/or completion of \$269,723 of various Capital and HUD Modernization funds.</p>
Dwelling Equipment	<p>The increase of \$35,302 is due primarily to greater carryover of Capital Funds of \$33,752 from FY03 than occurred in FY02, and will provide for additional replacement refrigerators, stoves, air conditioners, and water heaters for Conventional units in FY04. Small increases in the State projects account for the balance of the increase of \$1,550.</p>
Program, Contingency & Agency Reserves	<p>The increase in total Reserves is \$4,449,374. This is primarily due to the increase in Program Reserves of \$3,957,697, from \$5,686,471 in FY03 to \$9,644,168 in FY04. This increase in Program Reserves is primarily due to the transfer of \$5,058,715 of Property Management Operating Reserves for the Conventional, Maya Apartments, State Rental and University Canyon project from the Non-Budgeted Restricted Cash Addendum to the Reserves section of the FY04 Budget. In addition, there is an expected increase of \$391,222 in Section 8 Surplus Administrative Fees due to the higher lease-up of units on the Voucher program. These increases are offset by the routine \$1,492,240 drawdown of reserves for the multiyear Capital Fund, FSS Coordinator, HOME, HUD Lead Hazard Control Grant, PH Drug Elimination, ROSS, Shelter Plus Care, and Section 8 Housing Counseling grants. It is expected that new awards will replenish some of this decrease during FY04. Specific applications for funds will be presented at future Housing Commission meetings for approval as HUD and other agencies notify staff concerning the availability of resources.</p> <p>Previous Contingency Reserves are not recommended for change by staff. They include litigation reserves to provide for unexpected legal issues, insurance reserves to provide for coverage of deductibles, and building reserves to provide for future major rehabilitation or replacement of the existing facilities. Again in FY04, staff is proposing that \$1.5 million of Local funds be set aside in FY04 for proposed HUD rule changes to the</p>

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San Diego Housing Commission

Addendum 3

Summary of Housing Commission Expenditure Changes

Program, Contingency
& Agency Reserves
(continued)

Voucher program that may cause a significant decrease in administrative funds and/or program costs of rent to owners.

Staff has created a new category of Reserves that has been named Agency Reserves. The Agency Reserves include amounts that are available for all housing purposes. The amount has increased by \$491,677 due to litigation settlements that reimbursed previously spent funds for legal and contract/consultants. Staff recommends that the Agency Reserves be retained to provide for supplemental funding of programs that do not provide sufficient administration.

FY04 BUDGET

San Diego Housing Commission

Addendum 4

Summary of Staffing Changes From FY03 TO FY04

	Housing Services	Housing Finance & Development	Operations	Total
FY03 Staff	154.93	34.15	56.42	245.50
Proposed FY04 Changes:				
Adds	2.00	0.00	0.00	2.00
Deletes	0.00	0.00	(2.00)	(2.00)
Annualize	0.00	0.00	0.00	0.00
Transfers	0.40	0.00	(0.40)	0.00
Change	2.40	0.00	(2.40)	0.00
Upgrades	0.00	1.00	3.00	4.00
Downgrades	0.00	0.00	0.00	0.00
Proposed FY04 Staff	157.33	34.15	54.02	245.50

FY04 BUDGET**San Diego Housing Commission**

Addendum 5

Classification and Pay Plan
Effective July 1, 2003 (Start of Pay Period)

"M" SCHEDULE

Range	OC	OT/BU	Classification	Type	Minimum	Maximum
M 50	A	Ex/M	Chief Executive Officer	Base/Mo. Hrly. Equiv. BiWk. Pay Ann. Equiv.	9,056.00 52.2462 4,179.69 108,672.00	13,510.00 77.9423 6,235.38 162,120.00
M48	A	Ex/M	Chief of Staff	Base/Mo. Hrly. Equiv. BiWk. Pay Ann. Equiv.	8,173.00 47.1519 3,772.15 98,076.00	11,548.00 66.6231 5,329.85 138,576.00
M47	A	Ex/M	Director Housing Programs	Base/Mo.	7,291.00	9,796.00
	A	Ex/M	Director Operations	Hrly. Equiv. BiWk. Pay Ann. Equiv.	42.0635 3,365.08 87,492.00	57.9288 4,634.31 120,492.00
M44	A	Ex/M	Budget Manager	Base/Mo.	5,459.00	8,370.00
	A	Ex/M	Community Relations Manager	Hrly. Equiv.	31.4942	48.2885
	A	Ex/M	Equal Opportunity & Compliance Manager	BiWk. Pay	2,519.54	3,863.08
	A	Ex/M	Accounting & Financial Services Manager	Ann. Equiv.	65,508.00	100,440.00
	A	Ex/M	Housing Finance & Development Manager			
	A	Ex/M	Human Resources Manager			
	A	Ex/M	Information Systems Manager			
	A	Ex/M	Policy & Planning Manager			
	A	Ex/M	Rental Assistance Manager			
	A	Ex/M	Asset Management Program Manager			
M 39	--	--	--	Base/Mo. Hrly. Equiv. BiWk. Pay Ann. Equiv.	4,506.00 25.9962 2,079.69 54,072.00	5,483.00 31.6327 2,530.62 65,796.00
M 34	C	Ex/M	Secretary to the CEO	Base/Mo. Hrly. Equiv. BiWk. Pay Ann. Equiv.	3,530.00 20.3654 1,629.23 42,360.00	5,054.00 29.1577 2,332.62 60,648.00

FY04 BUDGET

San Diego Housing Commission

Addendum 5

"S" SCHEDULE

Range	OC	OT/BU	Classification	Type	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
S42	B	Ex/S	Supervising Project Manager	Base/Mo.	5,217.00	5,478.00	5,752.00	5,896.00	6,043.00	6,194.00	6,349.00
				Hrly. Equiv.	30.0981	31.6038	33.1846	34.0154	34.8635	35.7346	36.6288
				BiWk. Pay	2,407.85	2,528.31	2,654.77	2,721.23	2,789.08	2,858.77	2,930.31
				Ann. Equiv.	62,604.00	65,736.00	69,024.00	70,752.00	72,516.00	74,328.00	76,188.00
S41	B	Ex/S	Asst Rental Assistance Mgr.	Base/Mo.	4,969.00	5,217.00	5,478.00	5,615.00	5,755.00	5,899.00	6,046.00
	B	Ex/S	Asst Resident Initiatives Mgr	Hrly. Equiv.	28.6673	30.0981	31.6038	32.3942	33.2019	34.0327	34.8808
	B	Ex/A	Financial Specialist	BiWk. Pay	2,293.38	2,407.85	2,528.31	2,591.54	2,656.15	2,722.62	2,790.46
	D	Ex/S	Housing Construction Supv.	Ann. Equiv.	59,628.00	62,604.00	65,736.00	67,380.00	69,060.00	70,788.00	72,552.00
	B	Ex/A	Project Manager *								
	B	Ex/A	Loan Management Supv.								
	B	Ex/A	Sr. Systems/Database Administrator								
S40	--	--	--	Base/Mo.	4,732.00	4,968.00	5,217.00	5,347.00	5,481.00	5,618.00	5,758.00
				Hrly. Equiv.	27.3000	28.6615	30.0981	30.8481	31.6212	32.4115	33.2192
				BiWk. Pay	2,184.00	2,292.92	2,407.85	2,467.85	2,529.69	2,592.92	2,657.54
				Ann. Equiv.	56,784.00	59,616.00	62,604.00	64,164.00	65,772.00	67,416.00	69,096.00
S39	B	Ex/S	Accounting Supervisor	Base/Mo.	4,505.00	4,731.00	4,967.00	5,091.00	5,219.00	5,349.00	5,483.00
	B	Ex/A	Associate Project Manager	Hrly. Equiv.	25.9904	27.2942	28.6558	29.3712	30.1096	30.8596	31.6327
	B	Ex/A	Community Liaison	BiWk. Pay	2,079.23	2,183.54	2,292.46	2,349.69	2,408.77	2,468.77	2,530.62
	B	Ex/A	Organizational Training Spec.	Ann. Equiv.	54,060.00	56,772.00	59,604.00	61,092.00	62,628.00	64,188.00	65,796.00
	B	Ex/A	Principal Accountant								
	B	Ex/A	Principal HR Analyst								
	B	Ex/A	Senior Budget Analyst								
	B	Ex/A	Senior Program Analyst								
S38	D	PreO	Housing Construction Spec.	Base/Mo.	4,291.00	4,506.00	4,731.00	4,849.00	4,971.00	5,095.00	5,222.00
	B	Ex/A	Sr. HR Analyst	Hrly. Equiv.	24.7558	25.9962	27.2942	27.9750	28.6788	29.3942	30.1269
	T	Ex/A	Sr. Info Systems Analyst	BiWk. Pay	1,980.46	2,079.69	2,183.54	2,238.00	2,294.31	2,351.54	2,410.15
	B	Ex/S	Supv Resident Initiatives Coord.	Ann. Equiv.	51,492.00	54,072.00	56,772.00	58,188.00	59,652.00	61,140.00	62,664.00
S37	B	Ex/A	Community Relations Spec.	Base/Mo.	4,087.00	4,291.00	4,506.00	4,618.00	4,734.00	4,852.00	4,973.00
	B	Ex/S	Housing Supervisor	Hrly. Equiv.	23.5788	24.7558	25.9962	26.6423	27.3115	27.9923	28.6904
	T	Ex/A	Information Systems Analyst	BiWk. Pay	1,886.31	1,980.46	2,079.69	2,131.38	2,184.92	2,239.38	2,295.23
	B	Ex/S	Purchasing Supervisor	Ann. Equiv.	49,044.00	51,492.00	54,072.00	55,416.00	56,808.00	58,224.00	59,676.00
	B	Ex/A	Senior Accountant								
	B	Ex/A	Sr. Resident Initiatives Coord.								

FY04 BUDGET

San Diego Housing Commission

Addendum 5

Range	OC	OT/BU	Classification	Type	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
S36	B	Ex/A	Contracts Analyst	Base/Mo.	3,892.00	4,087.00	4,291.00	4,398.00	4,508.00	4,621.00	4,737.00
	B	Ex/A	Human Resources Analyst	Hrly. Equiv.	22.4538	23.5788	24.7558	25.3731	26.0077	26.6596	27.3288
	B	Ex/A	Program Analyst	BiWk. Pay	1,796.31	1,886.31	1,980.46	2,029.85	2,080.62	2,132.77	2,186.31
				Ann. Equiv.	46,704.00	49,044.00	51,492.00	52,776.00	54,096.00	55,452.00	56,844.00
S35	--	--	--	Base/Mo.	3,708.00	3,893.00	4,088.00	4,190.00	4,295.00	4,402.00	4,512.00
				Hrly. Equiv.	21.3923	22.4596	23.5846	24.1731	24.7788	25.3962	26.0308
				BiWk. Pay	1,711.38	1,796.77	1,886.77	1,933.85	1,982.31	2,031.69	2,082.46
				Ann. Equiv.	44,496.00	46,716.00	49,056.00	50,280.00	51,540.00	52,824.00	54,144.00
S34	B	Ex/A	Accountant	Base/Mo.	3,531.00	3,707.00	3,893.00	3,990.00	4,090.00	4,192.00	4,297.00
	B	Ex/A	Budget Analyst	Hrly. Equiv.	20.3712	21.3865	22.4596	23.0192	23.5962	24.1846	24.7904
	B	Ex/M	Docket Coordinator	BiWk. Pay	1,629.69	1,710.92	1,796.77	1,841.54	1,887.69	1,934.77	1,983.23
	T	Ex/O	Loan Servicing Specialist	Ann. Equiv.	42,372.00	44,484.00	46,716.00	47,880.00	49,080.00	50,304.00	51,564.00
	T	Ex/A	PIU Hearing Coordinator								
S33	B	Ex/S	Asst. Hsg. Property Supv.	Base/Mo.	3,363.00	3,531.00	3,708.00	3,801.00	3,896.00	3,993.00	4,093.00
	B	Ex/A	Housing Specialist	Hrly. Equiv.	19.4019	20.3712	21.3923	21.9288	22.4769	23.0365	23.6135
				BiWk. Pay	1,552.15	1,629.69	1,711.38	1,754.31	1,798.15	1,842.92	1,889.08
				Ann. Equiv.	40,356.00	42,372.00	44,496.00	45,612.00	46,752.00	47,916.00	49,116.00
S32	P	Pre/A	Contracts Compliance Asst.	Base/Mo.	3,204.00	3,364.00	3,532.00	3,621.00	3,711.00	3,804.00	3,899.00
	T	Pre/O	Housing Inspector	Hrly. Equiv.	18.4846	19.4077	20.3769	20.8904	21.4096	21.9462	22.4942
	T	Ex/O	Loan Production Specialist	BiWk. Pay	1,478.77	1,552.62	1,630.15	1,671.23	1,712.77	1,755.69	1,799.54
	D	Pre/S	Maintenance Supervisor	Ann. Equiv.	38,448.00	40,368.00	42,384.00	43,452.00	44,532.00	45,648.00	46,788.00
	B	Pre/O	Resident Initiatives Coord.								
	P	Pre/A	Senior Administrative Assistant								
	P	Pre/M	Senior Human Resources Tech.								
S31	C	Pre/M	Wage Services Technician	Base/Mo.	3,052.00	3,204.00	3,364.00	3,448.00	3,535.00	3,623.00	3,714.00
	C	Pre/O	Senior Accounting Technician	Hrly. Equiv.	17.6077	18.4846	19.4077	19.8923	20.3942	20.9019	21.4269
	T	Pre/O	Senior Housing Assistant	BiWk. Pay	1,408.62	1,478.77	1,552.62	1,591.38	1,631.54	1,672.15	1,714.15
				Ann. Equiv.	36,624.00	38,448.00	40,368.00	41,376.00	42,420.00	43,476.00	44,568.00
S30	C	Pre/M	Executive Secretary	Base/Mo.	2,905.00	3,050.00	3,203.00	3,283.00	3,365.00	3,449.00	3,535.00
				Hrly. Equiv.	16.7596	17.5962	18.4788	18.9404	19.4135	19.8981	20.3942
				BiWk. Pay	1,340.77	1,407.69	1,478.31	1,515.23	1,553.08	1,591.85	1,631.54
				Ann. Equiv.	34,860.00	36,600.00	38,436.00	39,396.00	40,380.00	41,388.00	42,420.00

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San Diego Housing Commission

Addendum 5

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Range	OC	OT/BU	Classification	Type	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
S29	C	Pre/O	Administrative Assistant	Base/Mo.	2,768.00	2,906.00	3,051.00	3,128.00	3,206.00	3,286.00	3,368.00
	T	Pre/O	Housing Assistant II	Hrly. Equiv.	15.9692	16.7654	17.6019	18.0462	18.4962	18.9577	19.4308
	C	Pre/M	Human Resources Technician	BiWk. Pay	1,277.54	1,341.23	1,408.15	1,443.69	1,479.69	1,516.62	1,554.46
	C	Pre/S	Office Supervisor	Ann. Equiv.	33,216.00	34,872.00	36,612.00	37,536.00	38,472.00	39,432.00	40,416.00
S28	C	Pre/O	Accounting Technician	Base/Mo.	2,634.00	2,765.00	2,904.00	2,976.00	3,051.00	3,127.00	3,205.00
	D	Pre/O	Senior Maintenance Technician	Hrly. Equiv.	15.1962	15.9519	16.7538	17.1692	17.6019	18.0404	18.4904
				BiWk. Pay	1,215.69	1,276.15	1,340.31	1,373.54	1,408.15	1,443.23	1,479.23
				Ann. Equiv.	31,608.00	33,180.00	34,848.00	35,712.00	36,612.00	37,524.00	38,460.00
Z27	D	Pre/O	Maintenance Technician II	Base/Mo.	2,631.00	2,763.00	2,901.00	2,973.00	3,048.00	3,124.00	3,202.00
				Hrly. Equiv.	15.1788	15.9404	16.7365	17.1519	17.5846	18.0231	18.4731
				BiWk. Pay	1,214.31	1,275.23	1,338.92	1,372.15	1,406.77	1,441.85	1,477.85
				Ann. Equiv.	31,572.00	33,156.00	34,812.00	35,676.00	36,576.00	37,488.00	38,424.00
S27	C	Pre/O	Information Systems Technician	Base/Mo.	2,510.00	2,635.00	2,767.00	2,836.00	2,907.00	2,980.00	3,055.00
	D	Pre/O	Maintenance Technician II	Hrly. Equiv.	14.4808	15.2019	15.9635	16.3615	16.7712	17.1923	17.6250
	C	Pre/O	Senior Storekeeper	BiWk. Pay	1,158.46	1,216.15	1,277.08	1,308.92	1,341.69	1,375.38	1,410.00
				Ann. Equiv.	30,120.00	31,620.00	33,204.00	34,032.00	34,884.00	35,760.00	36,660.00
S26	C	Pre/O	Senior Office Assistant	Base/Mo.	2,390.00	2,509.00	2,634.00	2,700.00	2,768.00	2,837.00	2,908.00
				Hrly. Equiv.	13.7885	14.4750	15.1962	15.5769	15.9692	16.3673	16.7769
				BiWk. Pay	1,103.08	1,158.00	1,215.69	1,246.15	1,277.54	1,309.38	1,342.15
				Ann. Equiv.	28,680.00	30,108.00	31,608.00	32,400.00	33,216.00	34,044.00	34,896.00
Z25	C	Pre/O	Accounting Assistant	Base/Mo.	2,388.00	2,507.00	2,633.00	2,698.00	2,766.00	2,835.00	2,906.00
				Hrly. Equiv.	13.7769	14.4635	15.1904	15.5654	15.9577	16.3558	16.7654
				BiWk. Pay	1,102.15	1,157.08	1,215.23	1,245.23	1,276.62	1,308.46	1,341.23
				Ann. Equiv.	28,656.00	30,084.00	31,596.00	32,376.00	33,192.00	34,020.00	34,872.00
S25	C	Pre/O	Accounting Assistant	Base/Mo.	2,277.00	2,390.00	2,510.00	2,573.00	2,637.00	2,703.00	2,771.00
	T	Pre/O	Housing Assistant I	Hrly. Equiv.	13.1365	13.7885	14.4808	14.8442	15.2135	15.5942	15.9865
	C	Pre/O	Resident Manager II	BiWk. Pay	1,050.92	1,103.08	1,158.46	1,187.54	1,217.08	1,247.54	1,278.92
				Ann. Equiv.	27,324.00	28,680.00	30,120.00	30,876.00	31,644.00	32,436.00	33,252.00

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San Diego Housing Commission

Addendum 5

Range	OC	OT/BU	Classification	Type	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
S24	C	Pre/O	Client Services Receptionist	Base/Mo.	2,167.00	2,276.00	2,389.00	2,449.00	2,510.00	2,573.00	2,637.00
	C	Pre/O	Office Assistant II	Hrly. Equiv.	12.5019	13.1308	13.7827	14.1288	14.4808	14.8442	15.2135
	C	Pre/O	Storekeeper	BiWk. Pay	1,000.15	1,050.46	1,102.62	1,130.31	1,158.46	1,187.54	1,217.08
				Ann. Equiv.	26,004.00	27,312.00	28,668.00	29,388.00	30,120.00	30,876.00	31,644.00
S23	C	Pre/O	Information Systems Assistant	Base/Mo.	2,064.00	2,168.00	2,276.00	2,333.00	2,391.00	2,451.00	2,512.00
	D	Pre/O	Maintenance Technician I	Hrly. Equiv.	11.9077	12.5077	13.1308	13.4596	13.7942	14.1404	14.4923
	C	Pre/O	Office Assistant I	BiWk. Pay	952.62	1,000.62	1,050.46	1,076.77	1,103.54	1,131.23	1,159.38
				Ann. Equiv.	24,768.00	26,016.00	27,312.00	27,996.00	28,692.00	29,412.00	30,144.00
S22	C	Pre/O	Courier-Driver	Base/Mo.	1,966.00	2,064.00	2,167.00	2,222.00	2,277.00	2,334.00	2,392.00
	C	Pre/O	Resident Manager I	Hrly. Equiv.	11.3423	11.9077	12.5019	12.8192	13.1365	13.4654	13.8000
	C	Pre/O	Stores Assistant	BiWk. Pay	907.38	952.62	1,000.15	1,025.54	1,050.92	1,077.23	1,104.00
				Ann. Equiv.	23,592.00	24,768.00	26,004.00	26,664.00	27,324.00	28,008.00	28,704.00
S21		--	--	Base/Mo.	1,873.00	1,967.00	2,065.00	2,117.00	2,170.00	2,224.00	2,280.00
				Hrly. Equiv.	10.8058	11.3481	11.9135	12.2135	12.5192	12.8308	13.1538
				BiWk. Pay	864.46	907.85	953.08	977.08	1,001.54	1,026.46	1,052.31
				Ann. Equiv.	22,476.00	23,604.00	24,780.00	25,404.00	26,040.00	26,688.00	27,360.00
S20	C	Pre/O	Housing Aide II	Base/Mo.	1,656.00	1,739.00	1,826.00	1,871.00	1,918.00	1,966.00	2,015.00
				Hrly. Equiv.	9.5538	10.0327	10.5346	10.7942	11.0654	11.3423	11.6250
				BiWk. Pay	764.31	802.62	842.77	863.54	885.23	907.38	930.00
				Ann. Equiv.	19,872.00	20,868.00	21,912.00	22,452.00	23,016.00	23,592.00	24,180.00
S19	--	--	--	Base/Mo.	1,490.00	1,564.00	1,643.00	1,684.00	1,726.00	1,769.00	1,813.00
				Hrly. Equiv.	8.5962	9.0231	9.4788	9.7154	9.9577	10.2058	10.4596
				BiWk. Pay	687.69	721.85	758.31	777.23	796.62	816.46	836.77
				Ann. Equiv.	17,880.00	18,768.00	19,716.00	20,208.00	20,712.00	21,228.00	21,756.00
S18	C	Pre/O	Housing Aide I	Base/Mo.	1,407.00	1,478.00	1,552.00	1,590.00	1,630.00	1,671.00	1,713.00
				Hrly. Equiv.	8.1173	8.5269	8.9538	9.1731	9.4038	9.6404	9.8827
				BiWk. Pay	649.38	682.15	716.31	733.85	752.31	771.23	790.62
				Ann. Equiv.	16,884.00	17,736.00	18,624.00	19,080.00	19,560.00	20,052.00	20,556.00

FY04 BUDGET

San Diego Housing Commission

Addendum 5

HOURLY RATE CLASSIFICATIONS											
Range	OC	OT/BU	Classification	Type	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
HSR	B	Ex/T	Scholar in Residence	Hourly	23.4600	24.6300	25.8600	26.5100	27.1700	27.8500	28.5500
HSI	C	Pre/T	Student Intern	Hourly	10.2200	10.7300	11.2600	11.5500	11.8300	12.1300	12.4300
HMT	G	Pre/T	Maintenance Tech. Trainee	Hourly	8.5900	9.0200	9.4700	9.7100	9.9500	10.2000	10.4600
HHA	O	Pre/T	Housing Services Aide	Hourly	7.1400	7.5000	7.8700	8.0700	8.2700	8.4800	8.6900
HAT	O	Pre/T	Housing Aide Trainee	Hourly	7.1400	7.5000	7.8700	8.0700	8.2700	8.4800	8.6900

BU - Bargaining Unit Designation:

M - Management or Confidential (nonunion - represented)
 S - Supervisory (nonunion - represented)
 A - Administrative/Professional (nonunion - represented)
 O - Office/Clerical/Technical (union - represented)
 T - Temporary Employee (nonunion - represented)

OC - Occupational Category:

A - Manager/Administrator
 B - Professional
 C - Clerical/Admin Support
 D - Crafts/Kindred
 P - Paraprofessional
 T - Technical

OT - Overtime Designation:

Pre - Premium Overtime Compensation
 Ex - Exempt from Overtime Compensation

- * Employees hired into this class prior to July 1, 1992, are eligible for additional Flex Benefits Credits of \$1,500 per year.
- 1. There shall be a mandatory four-day work furlough between December 26, 2003 and December 31, 2003.
- 2. A "Trainee" position as referenced in Personnel Policies is paid at a rate 15% below the entry level of the classification. Trainees will advance to Step 1 of the targeted classification upon meeting the minimum requirements.
- Note: Incumbents in the Maintenance Technician II and Accounting Assistant classifications as of September 30, 1998 shall be paid according to the Z range for the classification. Z range is defined as a special range for incumbents effective January 1, 1999 pursuant to negotiated Memorandum of Understanding. After September 30, 1998 newly hired or appointed incumbents to those classes will be paid according to the S range.
- Note: S Schedule salary ranges are developed from highest to lowest step. Biweekly rate is derived from annual salary divided by 26 paychecks. Hourly equivalent is derived from annual salary divided by 2,080.
- Note: H description designates hourly range.

FY04 BUDGET

San Diego Housing Commission

Addendum 6

Schedule of Average/Actual Salaries by Classification

CLASSIFICATION	# of POSITIONS	AVERAGE/ACTUAL SALARY
ACCOUNTANT	3.00	48,889
ACCOUNTING ASSISTANT	4.00	31,678
ACCOUNTING SUPERVISOR	2.00	63,013
ACCOUNTING TECHNICIAN	4.00	37,758
ADMINISTRATIVE ASSISTANT	2.00	38,542
ASSISTANT HOUSING PROPERTY SUPERVISOR	2.00	47,916
ASSISTANT MANAGER FOR RESIDENT SERVICES	1.00	63,108
ASSISTANT PROGRAM MANAGER FOR POLICY/PLANNING	1.00	67,380
ASSISTANT RENTAL ASSISTANCE HOUSING MANAGER	2.00	69,924
BUDGET ANALYST	1.00	51,564
BUDGET OFFICER	1.00	79,992
CHIEF EXECUTIVE OFFICER	1.00	140,184
CHIEF OPERATING OFFICER	1.00	120,756
CLIENT SERVICES RECEPTIONIST	2.00	28,265
COMMUNITY RELATIONS LIAISON	1.00	70,044
COMMUNITY RELATIONS SPECIALIST	1.00	60,720
CONTRACTS ANALYST	3.00	51,398
EXECUTIVE SECRETARY	1.00	39,958
FINANCIAL SPECIALIST	3.00	70,121
HOUSING AIDE II	2.00	21,777
HOUSING ASSISTANT II	38.00	37,940
HOUSING CONSTRUCTION SPECIALIST	10.00	62,063
HOUSING CONSTRUCTION SUPERVISOR	2.00	71,670
HOUSING INSPECTOR	8.00	44,902
HOUSING SPECIALIST	9.00	46,709
HOUSING SUPERVISOR	10.00	57,200
INFORMATION SYSTEMS ANALYST	1.00	58,224
INFORMATION SYSTEMS TECHNICIAN	2.00	34,530
LOAN MANAGEMENT SUPERVISOR	1.00	70,788
LOAN PRODUCTION SPECIALIST	2.00	46,218
LOAN SERVICING SPECIALIST	2.00	51,984
MAINTENANCE SUPERVISOR	2.00	44,412
MAINTENANCE TECHNICIAN II	13.00	36,423
MANAGER	8.00	86,055

FY04 BUDGET

San Diego Housing Commission

Addendum 6

Schedule of Average/Actual Salaries by Classification

CLASSIFICATION	# of POSITIONS	AVERAGE/ACTUAL SALARY
OFFICE ASSISTANT II	9.50	29,952
OFFICE SUPERVISOR	1.00	39,432
PIU HEARING COORDINATOR	1.00	52,824
PRINCIPAL HUMAN RESOURCES ANALYST	1.00	64,188
PROGRAM ANALYST	8.00	55,484
PROJECT MANAGER	3.00	69,977
PURCHASING SUPERVISOR	1.00	56,796
RESIDENT INITIATIVES COORDINATOR	2.00	46,170
RESIDENT MANAGER I	8.50	28,583
RESIDENT MANAGER II	3.00	30,701
SECRETARY TO THE CHIEF EXECUTIVE OFFICER	1.00	46,296
SENIOR ACCOUNTANT	1.00	58,105
SENIOR ACCOUNTING TECHNICIAN	1.00	43,476
SENIOR ADMINISTRATIVE ASSISTANT	8.00	44,912
SENIOR BUDGET ANALYST	1.00	65,796
SENIOR HOUSING ASSISTANT	16.00	42,989
SENIOR HUMAN RESOURCES ANALYST	1.00	56,784
SENIOR HUMAN RESOURCES TECHNICIAN	1.00	41,352
SENIOR INFORMATION SYSTEMS ANALYST	2.00	59,724
SENIOR MAINTENANCE TECHNICIAN	4.00	36,910
SENIOR OFFICE ASSISTANT	8.50	32,946
SENIOR PROGRAM ANALYST	4.00	62,559
SENIOR RESIDENT INITIATIVES COORDINATOR	4.00	56,150
SENIOR STOREKEEPER	2.00	35,760
SENIOR SYSTEMS/DATABASE ADMINISTRATOR	1.00	76,092
STOREKEEPER	1.00	30,876
SUPERVISING PROJECT MANAGER	2.00	74,328
SUPERVISING RESIDENT INITIATIVES COORDINATOR	2.00	58,348
WAGE SERVICES TECHNICIAN	1.00	43,476
	<hr/> 245.50	

FY04 BUDGET

San Diego Housing Commission

Addendum 7

Explanation of the Change in the Housing Commission Salaries and Benefits Costs from FY03 to FY04

The FY04 salaries and benefits budget totals \$15,963,223. This is an increase of \$910,999 or approximately 6% from the current FY03 budget. The following factors contribute to this increase:

<u>FY03 Current Salaries & Benefits Budget</u>	\$15,052,224
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FY04 Recalculation of Salaries

Included in the FY04 budget are current employees' actual salaries reflecting the FY03 3.25% salary increases approved by the Housing Commission and any step increases due in FY04.	561,085
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FY04 Adding Positions

The FY04 budget includes the addition of 2.00 positions. The new positions are: 2.00 Housing Assistant II's.	73,248
--	--------

FY04 Deleting Positions

The FY04 budget includes the deletion of 2.00 positions. The deleted positions are: 1.00 Senior Human Resources Technician and 1.00 Senior Administrative Assistant.	-86,097
--	---------

FY04 Reclassification of Positions

The FY04 budget reclassifies 4.00 positions. The changes reclassify a Senior Program Analyst to an Assistant Program Manager for Policy/Planning, a Docket Coordinator to a Program Analyst, an Administrative Assistant to a Senior Administrative Assistant, and a Senior Program Analyst to a Financial Specialist.	28,245
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FY04 Salary Reserves

The FY04 budget contains a contingency reserve for salary increases, which may be approved by the Housing Commission.	-51,913
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FY04 Overtime Provision

The FY04 budget contains a provision for overtime expenses. This will provide for the salaries of Maintenance staff who respond to after-hours emergency maintenance calls at the SDHC residential sites as well as salaries for staff during peak periods.	-12,775
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FY04 Vacancy Factor

The FY04 vacancy factor of 0.5%, which is the same level as FY03, has been incorporated into the budget to provide for vacant positions during FY04.	-2,996
--	--------

FY04 Benefits

The Housing Commission provides employee benefits including pension, flex plan, Worker's Comp, Medicare, long-term disability, State Unemployment Insurance and life insurance. In the FY04 budget, benefits are budgeted at 31.60% of salaries, an increase of approximately 8% over FY03. This increase is due primarily to an increase in rates for Worker's Comp.	402,202
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FY04 Salaries and Benefits Budget	\$15,963,223
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FY04 BUDGET

San Diego Housing Commission

Addendum 8

Estimated Continuing Appropriations as of June 30, 2003

Division / Activity / Project	Funding Source	Amount
1. Housing Services		
Rental Assistance		
Mediation Services	Section 8	8,186
Educational Video Development	Section 8	29,700
Software Training	Capital Fund	24,884
<i>Total Rental Assistance</i>		\$ 62,770
Resident Services		
Grant Writing Services	Conventional	1,000
Learning Opportunity Center Educational Services	UC Drug Elimination	24,800
Learning Opportunity Centers Janitorial Services	Local Funds, UC Drug Elimination	3,590
Move To Work Case Management & Advocacy Services	Capital Fund	1,250
Public Housing Residents Employment Related Services	ROSS RSDM	153,334
Youth Recreation & Diversionary Services	Capital Fund	4,000
<i>Total Resident Services</i>		\$ 187,974
2. Housing Finance & Development		
Rental Housing Production		
Acquisition - Black Contractors Association	CDBG	33,089
Acquisition & Development - Bayview Legacy Residences	HOME, HTF Linkage	1,151,113
Acquisition & Development - Beyer Courtyard Apartments	HOME, HTF Linkage	2,998,978
Acquisition & Development - Metro Villas	HOME	10,000
Acquisition & Development - Special Needs Housing	HOME, HTF Linkage	542,881
Acquisition & Rehab - Bayview CDC	HOME, HTF Linkage	502,000
Acquisition & Rehab - Mason Hotel	HTF Linkage	15,000
Boston Commons Constructibility Review	Capital Fund	12,090
Tax Credit Analysis	HTF Linkage	5,000
<i>Total Rental Housing Production</i>		\$ 5,270,151
Homeownership		
CA. Debt Allocation Committee Bond Deposit	Local Funds	100,000
Develop Homebuyer Assistance Complex - 6370 Akins Ave.	CDBG	21,024
Downpayment & Closing Cost Assistance	HTF Linkage	43,750
First Time Homebuyer Assistance	HTF Linkage, Redev. Agency Linda Vista	286,800
HOME Loan Counseling Services	HOME	4,348
Shared Equity Loan Program	Shea Homes	361,250
<i>Total Homeownership</i>		\$ 817,172

FY04 BUDGET

San Diego Housing Commission

Addendum 8

Estimated Continuing Appropriations as of June 30, 2003

Division / Activity / Project	Funding Source	Amount
2. Housing Finance & Development (continued)		
Rehabilitation		
Owner Occupied		
Homeworks Program	HOME	100,000
Labor's Community Servicing Agency - Home Security	CDBG	13,125
Rehab of Low-Income Homeowner Single Family Homes	HOME	175,000
<i>Total Rehabilitation Owner Occupied</i>		\$ 288,125
Special Purpose Housing		
Domestic Violence Safe House	HTF Linkage	100,000
Shared Housing Assistance Program	Local Funds	30,000
Shelter Plus Care Sponsor Admin & Rent	Shelter Plus Care, Local Funds	2,842,761
Special Needs Housing	HTF Linkage	63,338
Transitional Housing	HTF Linkage, HTF TOT, HTF Fay Ave.	137,508
<i>Total Special Purpose Housing</i>		\$ 3,173,607
3. Operations		
Support Services		
Human Resources		
Pension & Benefit Consultants	Various Funds	11,277
<i>Total Human Resources</i>		\$ 11,277
Information Systems		
Implementation of Housing Services Software	Capital Fund	165,731
Implementation of Internet Based Data Access	Conventional	9,884
Implementation of Voice Response System	Local Funds	30,010
<i>Total Information Systems</i>		\$ 205,625
AGENCY TOTAL		\$ 10,016,701

FY04 BUDGET

San Diego Housing Commission

Addendum 9

Non-Budgeted Restricted Cash

In addition to the amounts of revenue shown in the [FY04](#) Budget document, there are the following restricted cash amounts that are not available for inclusion in the FY04 Budget for the reasons noted. Below is a detailed listing of these cash amounts and an explanation is provided that describes each amount.

Please note, in FY03 and previous fiscal years, Property Management Reserves for Conventional, State, University Canyon and Maya Apartments were shown in this Addendum. However, in order to centralize all Reserves of the Housing Commission in one area, these Property Management Reserves have been transferred to the Program Reserves Section of the FY04 Budget in Addendum 1. This transfer of Property Management Reserves to Addendum 1 is consistent with information staff provided to the Land Use and Housing Committee at the January 2003 meeting.

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<u>PROGRAM</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
1. Security Deposits	\$ 441,499	Residents who occupy units owned/managed by the Housing Commission are required to provide security deposits. This deposit is returned to the tenant if the resident vacates the unit with no past due rent or excessive wear and tear damage to the unit. The amount shown is the balance at 6/30/02.
2. Family Self-Sufficiency Escrow Accounts	\$1,589,118	Residents who participate in the Family Self-Sufficiency Program and experience an increase in earned income would normally pay a higher rent payment. In order to encourage self-sufficiency, part of the increase in the rent payment is set aside in an escrow account for the benefit of the tenant. At the end of the five-year program, a successful resident who has achieved self-sufficiency would be able to withdraw the escrow balance that has accumulated. The amount shown is the balance at 6/30/02.
3. Condo Conversion Deposits	\$ 54,960	The City Council passed Ordinance No. 0-15206 requiring applicants to provide deposits for each unit proposed to be converted to a condominium that is occupied by a specified person. The amount shown is the balance at 6/30/02.
4. Rehabilitation Line of Credit Deposit	\$ 75,843	The Housing Commission has previously entered into Line of Credit Agreements with Wells Fargo Bank. The Agreements require the deposit of these funds as collateral at Wells Fargo Bank to sustain the leveraging of bank funds. The amount shown is the balance at 6/30/02.

FY04 BUDGET
San Diego Housing Commission

Addendum 9

Non-Budgeted Restricted Cash

<u>PROGRAM</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
5. Bond Program Performance Deposits	\$ 306,983	The State of California requires that the Housing Commission collect a performance deposit from each developer who applies for State tax credits. These funds are held by the Housing Commission and returned to the developer upon written authorization from the State of California that the developer has performed satisfactorily. If the developer fails to perform, these funds are remitted to the State of California. The amount shown is the balance at 6/30/02.

FY04 BUDGET

San Diego Housing Commission

Addendum 10

Glossary of Budget Terms

AFFORDABLE HOUSING - Typically the cost is no more than 30% of a low or very-low family's earnings.

AREA MEDIAN INCOME (AMI) - The median income in the San Diego Standard Metropolitan Statistical Area (MSA) adjusted for household size, as published annually by the United States Department of Housing and Urban Development.

APPROPRIATION - Funds set aside by formal action of a legislative body for a specific use or program.

CARRYOVER - Residual unspent and unencumbered funds brought forward from previous fiscal year.

CAPITAL/COMPREHENSIVE GRANT - A HUD entitlement grant to the Housing Commission for the purpose of undertaking major renovation of public housing properties, enhancing resident services and management improvement.

CDBG - Community Development Block Grant (CCBG) - A HUD entitlement grant to the City of San Diego. The Commission applies to the City to provide funds for various housing activities including the rehabilitation, homeownership, and rental housing programs.

CONTINUING APPROPRIATIONS - Continuing Appropriations are the unexpended balances of monies budgeted and obligated in previous years for vendor/contract commitments. Although these funds are not included in the current year because approval by the Board was received in a previous fiscal year, there is considerable workload associated with these projects.

ENCUMBRANCE - Funds contractually obligated for expenditure on a particular project or purpose.

ENTITLEMENT - Noncompetitive funds granted to the Housing Commission, based on a formula considering several factors including population, location, age of housing etc.

EXPENDITURE - Anticipated costs for a fiscal year.

EXTRAORDINARY MAINTENANCE - Capital improvements that extend the useful life of housing units.

EXTREMELY LOW-INCOME - Household income is 30% or less of published median income for the area.

HOME - A HUD entitlement grant to the City of San Diego that is used for various housing activities including the rehabilitation, homeownership, and rental housing programs.

HOUSING PROGRAM EXPENSE - Anticipated cost directly benefiting program participants. (Total Budget less the Salaries and Benefits, Services and Supplies, and Reserves equals Housing Program Expense.)

IMPOUND - A restriction on use of appropriated funds due to either legal or management decisions.

LOCAL FUNDS - Funds resulting from Housing Commission actions which are available for local discretionary usage. Sources include bond monitoring fees, surplus administrative fees from Section 8 programs, leases on local sites, repayments of previous loans, sites sales, rents, and interest.

FY04 BUDGET

San Diego Housing Commission

Addendum 10

Glossary of Budget Terms

LOW-INCOME - Household income is 80% of the published median income figure for the area.

MAINTENANCE EXPENSES - Repair/replacement of minor building components that have failed or are about to fail.

OPERATING FUND - Provides operating subsidy for public housing programs.

OVERHEAD - Costs for Agency support functions such as executive direction, accounting, personnel, data processing, budgeting, purchasing, etc., which support all program activities.

REINVESTMENT TASK FORCE - Charged with encouraging private and public financing of affordable housing and economic development in those areas suffering from disinvestments. Jointly funded by the Housing Commission and the County.

RESERVES - Program, Contingency & Agency Reserves are funds budgeted in the current year to provide for a future event. **Program Reserves** provide for future administration, housing programs or capital improvements for specific multiyear housing programs, and decrease unless new resources are awarded. **Contingency Reserves** include amounts to provide for potential litigation, uninsured losses and building reserves. **Agency Reserves** include amounts that are available for all housing programs.

RESTRICTED REVENUE - Revenues for regulated purposes defined by the funding source.

REVENUE - Carryover funds from the preceding fiscal year and anticipated new cash receipts in the next fiscal year.

SALARIES AND BENEFITS EXPENSE - Anticipated cost for salary, wages, and benefits.

SERVICES AND SUPPLIES - Anticipated administrative costs to support staffing including legal, rent, travel, training, equipment, contracts, audit, data processing, insurance, and sundry.

SUNDRY - Costs for a variety of supplies and services including postage, telephone, photocopy, office supplies, printing, mileage, advertising, etc.

UNRESTRICTED REVENUE - Revenues that can be allocated to a variety of housing related purposes by the Board of Commissioners.

VERY LOW-INCOME - Household income is 50% or less of published median income for the area.



THE CITY OF **SAN DIEGO**
EQUAL OPPORTUNITY CONTRACTING PROGRAM

1010 SECOND AVENUE • SUITE 500 • SAN DIEGO, CA 92101
(619) 533-4464 • FAX: 533-4474

WORK FORCE REPORT

The objective of the Equal Employment Opportunity Program is to ensure that contractors doing business with the City, or receiving funds from the City, will not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship.

NO OTHER FORMS WILL BE ACCEPTED

CONTRACTOR IDENTIFICATION

Type of Contractor: ☐ Construction ☐ Vendor/Supplier ☐ Financial Institution ☐ Lessee/Lessor
☐ Consultant ☐ Grant Recipient ☐ Insurance Company ☐ Other

Name of Company: SAN DIEGO HOUSING COMMISSION

AKA/DBA: _____

Address (Corporate Headquarters, where applicable): 1625 Newton Avenue

City San Diego County San Diego State CA Zip 92113

Telephone Number: (619) 231-9400 FAX Number: (619) 578-7350

Name of Company CEO: Betsy Morris

Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: Same as Above

City _____ County _____ State _____ Zip _____

Telephone Number: () _____ FAX Number: () _____

Type of Business: Public Housing Agency Type of License: _____

The Company has appointed: C. Terry Whitesides

as its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate, and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 1625 Newton Avenue, San Diego CA 92113

Telephone Number: (619) 578-7561 FAX Number: (619) 578-7351

For Firm's: ☒ San Diego Work Force and/or ☐ Managing Office Work Force

I, the undersigned representative of San Diego Housing Commission

(Firm Name)

San Diego
(County)

California
(State)

hereby certify that information provided herein is true and correct. This document was executed on this day of March 20, 2003.

C. Terry Whitesides
(Authorized Signature)

C. Terry Whitesides
(Print Authorized Signature Name)

EQUAL OPPORTUNITY WORKFORCE REPORT UPDATED 12/31/02
Permanent and EMS Employees

Total Representation	09/30/02 Total Rep	% Rep	12/31/02 Total Rep	% Rep	Change	%	Interim Goal (CLFA)	Interim Goal Status	Lona Term Goal (City Pop)	Lona Term Goal Status
	233		235		2					
Women	153	65.7	152	64.7	-1	-1.00	43.5%	Goal Met	49.0%	Goal Met
African American	41	17.6	40	17.0	-1	-0.60	4.8%	Goal Met	8.9%	Goal Met
Latino	76	32.6	77	32.8	1	0.20	13.7%	Goal Met	20.7%	Goal Met
Asian/Pacific Islanders	14	6.0	15	6.4	1	0.40	1.9%	Goal Met	5.7%	Goal Met
Native American	3	1.3	3	1.3	0	0.00	.7%	Goal Met	.5%	Goal Met
Filipino	9	3.9	9	3.8	0	-0.10	2.6%	Goal Met	5.4%	-4 positions

Managers/Administrators (A)	09/30/02 Total Rep	% Rep	12/31/02 Total Rep	% Rep	Change	%	Interim Goal (CLFA)	Interim Goal Status	Lona Term Goal (City Pop)	Lona Term Goal Status
	10		10		0					
Women	5	50.0	5	50.0	0	0.0	41.3%	Goal Met	49.0%	Goal Met
African American	1	10.0	1	10.0	0	0.0	2.3%	Goal Met	8.9%	Goal Met
Latino	2	20.0	2	20.0	0	0.0	6.4%	Goal Met	20.7%	-1 position
Asian/Pacific Islanders	0	.0	0	.0	0	0.0	.8%	-1 position	5.7%	-1 position
Native American	1	10.0	1	10.0	0	0.0	.5%	Goal Met	.5%	Goal Met
Filipino	0	.0	0	.0	0	0.0	1.1%	-1 position	5.4%	-1 position

EQUAL OPPORTUNITY WORKFORCE REPORT UPDATED 12/31/02
Permanent and EMS Employees

Professional (B)	09/30/02 Total Rep	% Rep	12/31/02 Total Rep	% Rep	Change	%	Interim Goal (CLFA)	Interim Goal Status	Long Term Goal (City Pop)	Long Term Goal Status
	70		71		1					
Women	47	67.1	47	66.2	0	-0.9	37.0%	Goal Met	49.0%	Goal Met
African American	6	8.6	6	8.5	0	-0.1	3.2%	Goal Met	8.9%	-1 position
Latino	20	28.6	21	29.6	1	1.0	6.7%	Goal Met	20.7%	Goal Met
Asian/Pacific Islanders	1	1.4	1	1.4	0	0.0	1.7%	-1 position	5.7%	-4 positions
Native American	1	1.4	1	1.4	0	0.0	.6%	Goal Met	.5%	Goal Met
Filipino	3	4.3	3	4.2	0	-0.1	2.2%	Goal Met	5.4%	-1 position

Clerical/Admin Support (C)	09/30/02 Total Rep	% Rep	12/31/02 Total Rep	% Rep	Change	%	Interim Goal (CLFA)	Interim Goal Status	Long Term Goal (City Pop)	Long Term Goal Status
	48		48		0					
Women	41	85.4	40	83.3	-1	-2.1	78.9%	Goal Met	49.0%	Goal Met
African American	13	27.1	13	27.1	0	0.0	5.1%	Goal Met	8.9%	Goal Met
Latino	14	29.2	14	29.2	0	0.0	11.4%	Goal Met	20.7%	Goal Met
Asian/Pacific Islanders	2	4.2	2	4.2	0	0.0	1.7%	Goal Met	5.7%	-1 position
Native American	1	2.1	1	2.1	0	0.0	.6%	Goal Met	.5%	Goal Met
Filipino	3	6.3	3	6.3	0	0.0	2.2%	Goal Met	5.4%	Goal Met

EQUAL OPPORTUNITY WORKFORCE REPORT UPDATED 12/31/02
Permanent and EMS Employees

Craft/Kindred (D)	09/30/02 Total Rep	% Rep	12/31/02 Total Rep	% Rep	Change	%	Interim Goal (CLFA)	Interim Goal Status	Long Term Goal (City Pop)	Long Term Goal Status
	30		31		1					
Women	1	3.3	1	3.2	0	-0.1	8.8%	-2 positions	49.0%	-15 positions
African American	7	23.3	7	22.6	0	-0.7	5.0%	Goal Met	8.9%	Goal Met
Latino	13	43.3	14	45.2	1	1.9	29.3%	Goal Met	20.7%	Goal Met
Asian/Pacific Islanders	2	6.7	2	6.5	0	-0.2	1.2%	Goal Met	5.7%	Goal Met
Native American	0	.0	0	.0	0	0.0	1.1%	-1 position	.5%	-1 position
Filipino	0	.0	0	.0	0	0.0	1.7%	-1 position	5.4%	-2 positions

Paraprofessional (P)	09/30/02 Total Rep	% Rep	12/31/02 Total Rep	% Rep	Change	%	Interim Goal (CLFA)	Interim Goal Status	Long Term Goal (City Pop)	Long Term Goal Status
	11		11		0					
Women	10	90.9	10	90.9	0	0.0	8.8%	Goal Met	49.0%	Goal Met
African American	2	18.2	2	18.2	0	0.0	5.0%	Goal Met	8.9%	Goal Met
Latino	3	27.3	3	27.3	0	0.0	29.3%	-1 position	20.7%	Goal Met
Asian/Pacific Islanders	1	9.1	1	9.1	0	0.0	1.2%	Goal Met	5.7%	Goal Met
Native American	0	.0	0	.0	0	0.0	1.1%	-1 position	.5%	-1 position
Filipino	0	.0	0	.0	0	0.0	1.7%	-1 position	5.4%	-1 position

EQUAL OPPORTUNITY WORKFORCE REPORT UPDATED 12/31/02
Permanent and EMS Employees

Technical (T)	09/30/02 Total Rep	% Rep	12/31/02 Total Rep	% Rep	Change	%	Interim Goal (CLFA)	Interim Goal Status	Long Term Goal (City Pop)	Long Term Goal Status
	64		64		0					
Women	49	76.6	49	76.6	0	0.0	8.8%	Goal Met	49.0%	Goal Met
African American	12	18.8	11	17.2	-1	-1.6	5.0%	Goal Met	8.9%	Goal Met
Latino	24	37.5	23	35.9	-1	-1.6	29.3%	Goal Met	20.7%	Goal Met
Asian/Pacific Islanders	8	12.5	9	14.1	1	1.6	1.2%	Goal Met	5.7%	Goal Met
Native American	0	.0	0	.0	0	0.0	1.1%	-1 position	.5%	-1 position
Filipino	3	4.7	3	4.7	0	0.0	1.7%	Goal Met	5.4%	-1 position

